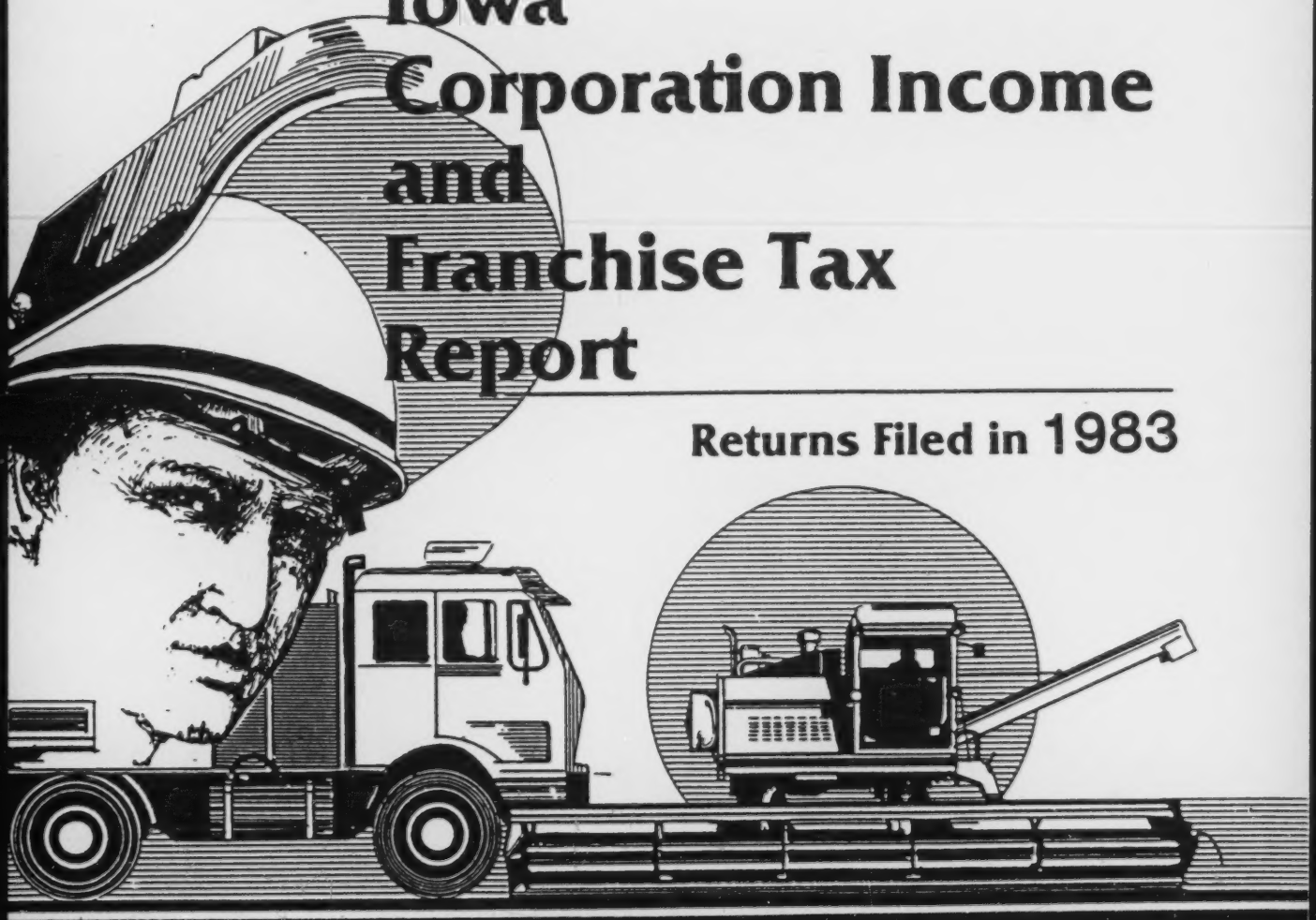
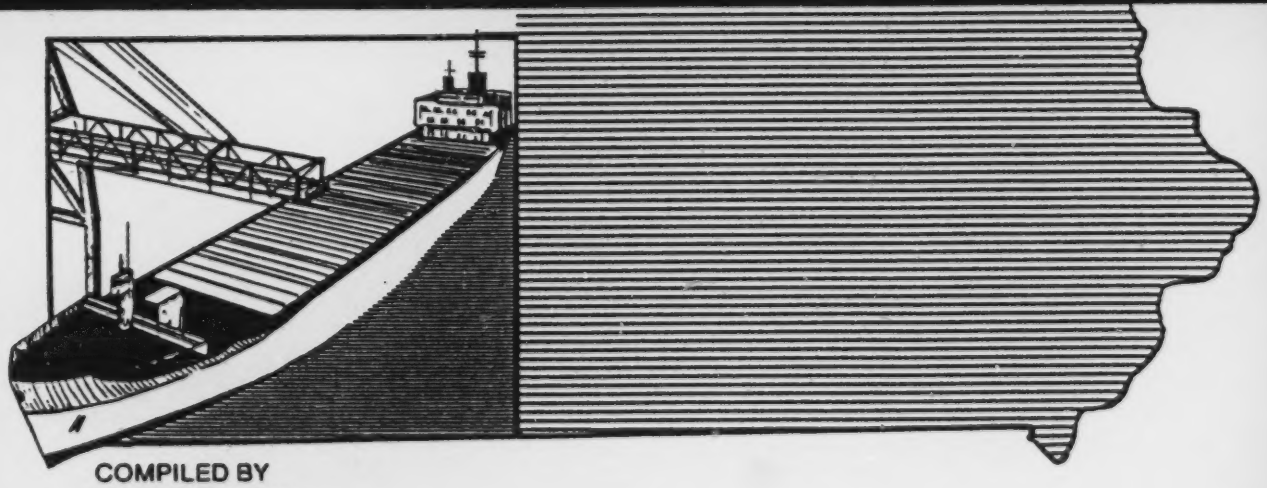
3/4/85 S2860-2(4) B

Iowa Corporation Income and Franchise Tax Report

Returns Filed in 1983





COMPILED BY
STATE OF IOWA
DEPARTMENT OF REVENUE
RESEARCH & MANAGEMENT SERVICES DIVISION
HOOVER STATE OFFICE BUILDING
DES MOINES 50319

TABLE OF CONTENTS

	Page
INTRODUCTION	1
IOWA CORPORATION INCOME TAX	3
Summary of Corporation Income Tax Law	5
Explanation of Terminology	6
Income Tax Abatements	7
Summary of 1983 Returns	8
Analysis of Total Returns	9
Analysis By Apportionment	14
Analysis By Residency	20
IOWA FRANCHISE TAX	25
Summary of Iowa Franchise Tax Law	27
Analysis of Franchise Tax Returns Received	28
STATISTICAL APPENDIX	31
Analysis of Corporation Income Tax Returns	
Table 1: Total Corporation Returns by Business Class	33
Table 2: Resident Corporation Returns by Business Class	34
Table 3: Nonresident Corporation Returns by Business Class	35
Table 4: Total Corporation Returns by Taxable Income	36
Table 5: Resident Corporation Returns by Taxable Income	37
Table 6: Nonresident Corporation Returns by Taxable Income	38
Table 7: Total Nonapportioning Corporation Returns by Business Class	39
Table 8: Total Nonapportioning Corporation Returns by Taxable Income	40

		Page
Table 9:	Total Apportioning Corporation Returns by Business Class	41
Table 10:	Resident Apportioning Corporation Returns by Business Class	43
Table 11:	Nonresident Apportioning Corporation Returns by Business Class	45
Table 12:	Total Apportioning Corporation Returns by Taxable Income	47
Table 13:	Resident Apportioning Corporation Returns by Taxable Income	49
Table 14:	Nonresident Apportioning Corporation Returns by Taxable Income	51
Table 15:	Total Corporation Returns by County	53

Analysis of Franchise Tax

Table 16:	Total Franchise Tax Returns	56

INTRODUCTION

The 1983 report on corporation income and franchise tax consists of two major sections. The corporation income tax section contains a summary of corporate income tax law, information on tax abatements granted by the Director of Revenue, an analysis of data, and a statistical appendix of fifteen tables. Data is analyzed from the pay returns received during calendar 1983 from which tax was due. These returns are classified according to apportioning and nonapportioning corporations as well as by resident and nonresident status, and analyzed by income group, by a system of business classes and by county. The franchise tax section is an analysis of the tax based upon income paid by financial institutions in Iowa. This section includes a summary of the franchise tax law, an analysis by taxable income brackets of pay returns received during calendar 1983, and an examination of the distribution of franchise tax receipts to the state general fund and to the general funds of the cities and counties in which the financial institutions are located.

IOWA CORPORATION

INCOME TAX

SUMMARY OF CORPORATION INCOME TAX COMPUTATION

A corporate income tax is imposed annually upon each corporation organized under the laws of this state and upon every foreign corporation doing business in this state, except certain organizations exempted from the tax under Section 422.34, Code of Iowa, such as financial institutions, insurance companies, and non-profit organizations. If a corporation conducts all of its business or trade within the state, the tax is imposed upon its entire net income. If the corporation conducts its business partly within and partly without the state, the tax is imposed only on that portion of its net income attributable to the state.

1. Allocation and Apportionment of Income

Net income subject to taxation in Iowa is determined as follows:

A. Allocation - Interest, dividends, rents and royalties received in connection with business in the state, shall be allocated to the state, and where received in connection with business outside the state, shall be allocated outside of the state.

B. Apportionment - The net income from the manufacture or sale of tangible personal property is apportioned to Iowa by the ratio of gross sales from goods delivered or shipped to a purchaser within the state regardless of F.O.B. point or other conditions of the sale, excluding deliveries for transportation out of the state, to the total gross sales of the corporation. Net business income from sources other than the manufacture or sale of tangible personal property is apportioned to Iowa by the ratio of the gross receipts within Iowa to the total gross receipts. Certain corporations compute their Iowa gross receipts by applying a secondary ratio, e.g. trackage, mileage, traffic units, to the total gross receipts.

II. Iowa Taxable Income

Iowa taxable income for income reported on these returns is defined as net income properly computed for federal income tax purposes:

A. Less interest and dividends from federal securities.

B. Less 50 percent of the federal income taxes paid or accrued during the tax year, adjusted by any federal income tax refunds received.

C. Less any net operating loss deduction computed in the same manner as for federal income tax purposes with certain Iowa adjustments.

D. Plus interest and dividends from foreign securities and from securities of state and other political subdivisions exempt from federal income tax.

E. Plus any Iowa income tax deducted in computing taxable income for federal income tax purposes.

III. Tax Rates

Iowa taxable income is subject to the following rates determining tax liability.

Taxable Income		Tax Rates
First	$ 25,000	6%
Next	$ 75,000	8%
Next	$150,000	10%
Over	$250,000	12%

EXPLANATION OF TERMINOLOGY

Apportioning Corporations - Corporations which do business both within and without the state are taxed by Iowa on only the net income derived from this state. Such a corporation must apportion its business income to determine the portion of income which is subject to Iowa corporate income tax.

Nonapportioning Corporations - Those corporations which do all their business or trade within the state.

Subchapter S Corporations - A Subchapter S corporation is one which elects to have the shareholders report the income and pay any tax due on their individual income tax returns rather than paying under the corporation income tax.

Pay and No Pay Returns - If a corporation has a tax liability greater than zero, it is classified as a pay return. No pay returns have zero tax liability.

Resident and Nonresident Corporations - Residency is determined by the mailing address from which the return was filed, and refers to the status of being located in the state or out of the state.

Business Class - Data in the report is grouped according to the major business activity indicated by the taxpayer. The data reported in one category may include business activity from another type of activity and therefore, should not be considered as an absolute indicator of business activity by a business class.

INCOME TAX ABATEMENTS

The Director of Revenue has the power "to abate any portion of tax, interest, or penalties which he determines are excessive in amount or erroneously or illegally assessed". The table below summarizes the corporate income tax abatements allowed in calendar 1983.

Corporation Income Tax Abatements
Year Ending December 31, 1983

Number of Returns	Tax	Penalty Interest and Fees	Total Amounts
5	$35,663.75	$ 14,828.24	$ 50,491.99

SUMMARY OF 1983 RETURNS AND TAX

During calendar 1983, 45,561 corporation income tax returns were filed with the Department of Revenue. Of this number, 17,697 had a tax liability, 18,768 had no tax liability, and 9,096 corporations were Subchapter S corporations, for which the tax liability is passed on to the corporate shareholders. The 17,697 pay returns had a total tax liability of $122.8 million, for a decrease of 7.21 percent from the previous year. In a change from last year, utilities now comprise the group with the largest tax liability. They paid $37.3 million, or 30.34 percent of liability.

The chart on page 13 shows that the number of pay returns have become more concentrated in the $0 - $25,000 income bracket. The lowest bracket had 63.41 percent of pay returns in 1982, but rose to 64.51 percent in 1983. The percentage distribution in all other brackets fell slightly from the prior year.

While the distribution of returns had a downward trend, the distribution of tax payments had a somewhat different change. Returns with $1,000,000 or more in Iowa income paid 58.62 percent of the tax compared to 57.66 percent for returns filed in 1982. All other brackets fell in their share of the tax paid except the 0-$25,000 bracket.

ANALYSIS OF TOTAL RETURNS

During the calendar year 1983, a grand total of 45,561 corporation income tax returns were filed. This is an increase of .87 percent over the number of returns which were filed during calendar year 1982. These corporations submitted a total tax of $122.8 million during calendar year 1983, for a decrease of 7.21 percent from 1982.

Table A displays the number of returns by payment status. No pay returns showed the largest percentage increase, with a 6.08 percent rise over 1982, while the number of pay returns experienced a 4.70 percent decline, and Subchapter S returns had a 2.13 percent increase.

TABLE A
Number of Returns by Payment Status

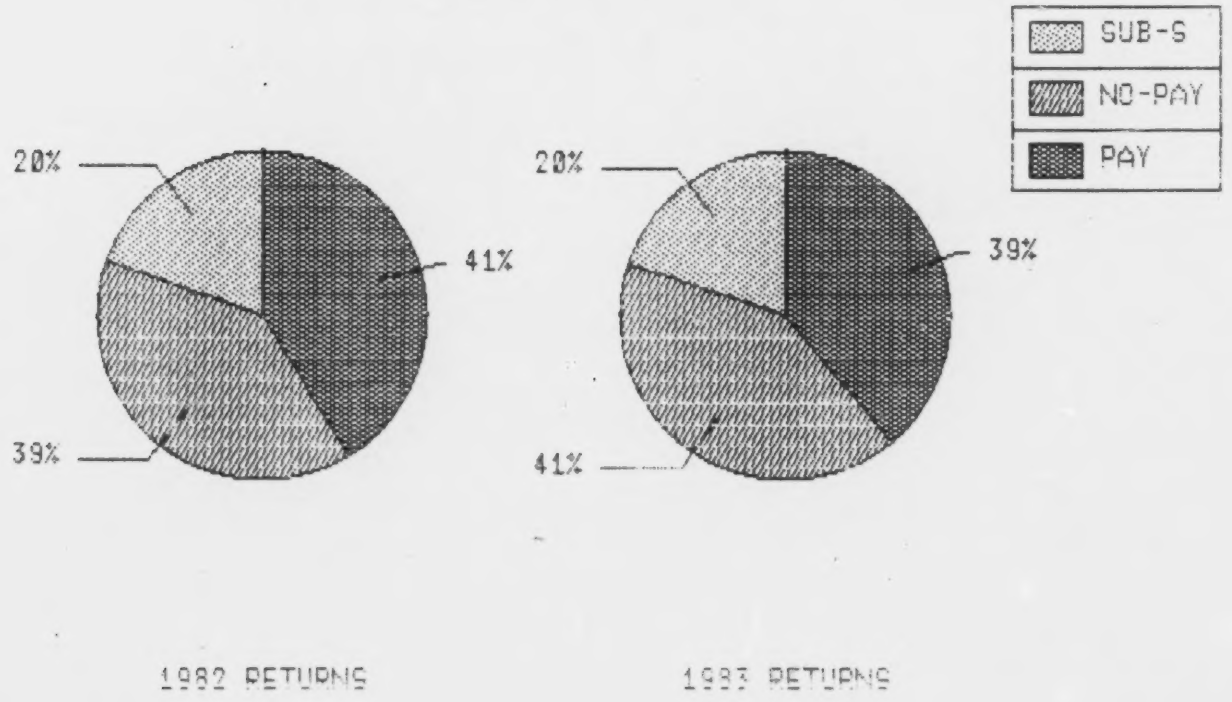
Type of Return	No. of Returns 1982	1983	% Change
Pay	18,570	17,697	-4.70%
No-Pay	17,693	18,768	+6.08%
Subchapter S	8,906	9,096	+2.13%
TOTAL	45,169	45,561	+ .87%

The graphs on the following page also display the percentage of each of the three types of returns filed in 1982 and 1983.

Returns and Tax by Business Class

Table 1 of the Statistical Appendix displays total returns by business class. Information from this table and from 1983 returns is summarized on Table B on page 11. This table reveals that in 1983 the category of utilities had the largest amount of tax paid, with $37.3 million, while the category of services had the largest number of filers with 3,730. In prior years, manufacturers have been the category of taxpayers that have paid the largest amount of tax.

COMPARISON OF RETURNS FILED BY PAYMENT STATUS FISCAL YEARS 1982 AND 1983



The total number of pay return filers declined by 4.70 percent from the previous year. Agricultural corporations had the greatest percentage increase in filers, rising 1.83 percent over the number of returns filed in 1982.

The amount of tax collected dropped substantially in several business classes. Most notably, the tax collected from wholesale trade and manufacturing each dropped by about 24 percent over the prior year. Utilities and retail trade were the two categories which showed the greatest increase in tax collected.

TABLE B
Number of Returns and Computed Tax
By Business Class

Business Class	Number of Returns 1982	Number of Returns 1983	% Change	Computed Tax 1982	Computed Tax 1983	% Change
Agriculture	2,728	2,778	+ 1.83%	$ 8,072,082.90	$ 8,170,172.22	+ 1.22%
Mining	72	73	+ 1.39	1,246,740.14	2,271,886.90	+82.23
Construction	1,389	1,275	- 8.21	4,483,955.56	3,654,763.66	-18.49
Manufacturing	1,923	1,625	-15.50	42,700,689.38	32,531,769.92	-23.81
Utilities & Transportation	855	748	-12.51	33,727,640.74	37,272,910.98	+10.51
Wholesale Trade	2,053	1,824	-11.15	14,593,481.90	11,043,160.28	-24.33
Retail Trade	3,322	3,159	- 4.91	12,928,853.18	13,552,658.50	+ 4.82
Finance	2,528	2,446	- 3.24	7,197,161.26	6,627,770.24	- 7.91
Services	3,673	3,730	+ 1.55	7,303,901.10	7,667,381.16	+ 4.98
Miscellaneous	27	39	+44.44	133,275.76	44,486.52	-66.62
TOTAL	18,570	17,697	- 4.70%	$132,387,781.92	$122,836,960.38	- 7.21%

Returns and Tax by Taxable Income Brackets

As shown on Chart A on the following page, the largest percentage of returns are filed by corporations with a taxable income of less than $25,000. This year, the percentage of total returns under $25,000 rose while the proportion of returns in higher brackets has declined. This is not unexpected, given the drop in total collections.

The distribution of tax payment by income bracket is considerably different than the distribution by number of returns filed. In 1983, the percentage of tax collected from the $1,000,000 and over corporations was 58.62 percent, a slight rise over the previous year. Overall, the distribution of tax payment fluctuated very little by income bracket from the previous year.

CHART A

COMPUTED TAX AND PERCENTAGE DISTRIBUTION OF TAX
FOR CORPORATION INCOME TAX RETURNS FILED IN 1979 THROUGH 1983
(Tax in Thousands)

Taxable Income Bracket	1979 Tax	1979 % Dist.	1980 Tax	1980 % Dist.	1981 Tax	1981 % Dist.	1982 Tax	1982 % Dist.	1983 Tax	1983 % Dist.
$ 0-$ 25,000	$ 5,104	4.46%	$ 5,595	4.55%	$ 5,159	4.61%	$ 5,935	4.48%	$ 5,632	4.58%
$ 25,000-$ 100,000	18,621	16.27%	21,083	17.16%	19,389	17.32%	18,086	13.66%	16,629	13.54%
$ 100,000-$ 500,000	22,396	19.57%	25,954	21.12%	22,441	20.04%	20,429	15.43%	18,359	14.95%
$ 500,000-$1,000,000	11,366	9.94%	11,724	9.54%	9,916	8.85%	11,603	8.77%	10,206	8.31%
$1,000,000 and Over	56,929	49.76%	58,518	47.63%	55,066	49.18%	76,334	57.66%	72,011	58.62%
TOTAL	$114,416	100.00%	$122,874	100.00%	$111,971	100.00%	$132,387	100.00%	$122,837	100.00%

NUMBER OF RETURNS AND PERCENTAGE DISTRIBUTION OF RETURNS
FOR CORPORATION INCOME TAX RETURNS FILED IN 1979 THROUGH 1983

Taxable Income Bracket	1979 Returns	1979 % Dist.	1980 Returns	1980 % Dist.	1981 Returns	1981 % Dist.	1982 Returns	1982 % Dist.	1983 Returns	1983 % Dist.
$ 0-$ 25,000	11,078	60.75%	11,548	59.11%	11,633	61.30%	11,775	63.41%	11,416	64.51%
$ 25,000-$ 100,000	5,572	30.56%	6,096	31.21%	5,703	30.05%	5,254	28.29%	4,952	27.98%
$ 100,000-$ 500,000	1,266	6.94%	1,544	7.90%	1,346	7.09%	1,213	6.54%	1,056	5.97%
$ 500,000-$1,000,000	167	.92%	179	.92%	148	.78%	164	.88%	134	.75%
$1,000,000 and Over	152	.83%	168	.86%	148	.78%	164	.88%	139	.79%
TOTAL	18,235	100.00%	19,535	100.00%	18,978	100.00%	18,570	100.00%	17,697	100.00%

ANALYSIS BY APPORTIONMENT

A major criteria for differentiation between corporations concerns whether they apportion or do not apportion their income for purposes of paying Iowa income tax. Generally, an apportionment of corporate income reflects the percentage of the corporation sales which took place in Iowa for the year in question. This differs substantially from the practice followed in most states, where the amount of property and payroll located in the state are also considered as factors in apportioning income.

The following analysis is divided into separate sections for corporations that apportion their income and for those that do not apportion income.

Apportioning Returns

For returns filed during calendar year 1983, 3,925 corporations that had a tax liability apportioned their income. This represents 22.18 percent of the 17,697 total returns which were filed as pa, returns, down slightly from 22.88 percent in 1982. Even though these filers represent less than one quarter of the total, they had a tax liability of $91.5 million, representing 74.48 percent of the total tax liability for corporations. As an indication of the size of these companies, they paid a total of $11.2 billion in federal income tax, and had total net income for federal purposes before net operating loss adjustment of $49.7 billion for returns filed in 1983. In comparison, the total Iowa taxable income, after net operating loss adjustment and application of the apportionment formula, is $830.9 million.

Analysis by Taxable Income Brackets

As Table C below illustrates, the distribution of returns for apportioning corporations is weighted toward the lower brackets while the distribution of tax is heavily weighted toward the upper brackets even more extremely than other corporations. As shown, slighly more than 1 percent of the tax is paid by over 59 percent of the filers, which are in the lowest bracket, while 3 percent of the filers from the highest bracket pay over three quarters of the tax.

TABLE C
Total Apportioning Pay Returns and Tax
By Taxable Income

Taxable Income Bracket	Number of Returns	% of Returns	Computed Tax	% of Tax
$ 0-$ 25,000	2,319	59.08%	$ 973,700.82	1.06%
$ 25,000-$ 100,000	867	22.09	3,112,642.64	3.40
$100,000-$ 500,000	508	12.94	10,258,154.66	11.21
$500,000-$1,000,000	105	2.68	8,014,149.86	8.77
$1,000,000 +	126	3.21	69,124,294.76	75.56
TOTAL	3,925	100.00%	$91,482,942.74	100.00%

Because apportioning corporations are on the average larger than all corporations as a group, the distribution of returns and tax are different for this subgroup of corporations. Table D illustrates that the distribution both of returns and of tax are weighted more heavily to the upper brackets than are the same percentages for total returns.

TABLE D
Comparative Percent of Returns and Tax
By Income Bracket
for Total Returns and Apportioning Returns

Taxable Income Brackets	Returns		Computed Tax	
	Apportioning	Total	Apportioning	Total
$ 0-$ 25,000	59.08%	64.51%	1.06%	4.58%
$ 25,000-$ 100,000	22.09	27.98	3.40	13.54
$100,000-$ 500,000	12.94	5.97	11.21	14.95
$500,000-$1,000,000	2.68	.75	8.77	8.31
$1,000,000 +	3.21	.79	75.56	58.62
TOTAL	100.00%	100.00%	100.00%	100.00%

Analysis by Business Class

Apportioning corporations are concentrated in two major classes, according to computed tax due as is shown in Table E on the next page and in Table 9 of the Statistical Appendix. Utilities and transportation companies paid $34.9 million in tax, or 38.10 percent of the total. This class was up by $3.8 million from 1982. Manufacturers paid $29.5 million in tax, or 32.21 percent of the total tax paid by apportioning corporations. This is down $9.5 million from the previous year. The wholesale and retail trade classes had 8.67 percent and 7.80 percent of the total tax paid respectively.

The distribution according to the number of pay returns filed differs substantially from the distribution by tax paid. Manufacturers had the largest percentage with 27.01 percent, but utilities ranked only seventh in number of filers with 7.13 percent, while three other categories had more than twelve percent of the total filers. These categories were wholesale trade, retail trade, and services.

TABLE E
Total Apportioning Pay Returns and Tax
By Business Class

Business Class	Number of Returns	% Dist.	Computed Tax	% Dist.
Agriculture	133	3.39%	$ 2,943,752.12	3.22%
Mining	29	.74	1,691,468.10	1.85
Construction	385	9.81	1,642,874.60	1.80
Manufacturing	1,060	27.01	29,469,571.96	32.21
Utilities	280	7.13	34,857,566.60	38.10
Wholesale Trade	671	17.10	7,137,172.56	7.80
Retail Trade	510	12.99	7,930,801.52	8.67
Finance	284	7.24	2,975,423.76	3.25
Services	564	14.37	2,818,403.34	3.08
Miscellaneous	9	.22	15,908.18	.02
TOTAL	3,925	100.00%	$91,482,942.74	100.00%

Analysis of Residency

One of the most important criteria for analyzing apportioning corporations is by their residency. Tables 11 and 14 of the Statistical Appendix show that nonresident apportioning corporations numbered 2,450 or 62.42 percent of apportioning returns, and paid $60.7 million in tax, or 66.37 percent of the total tax for apportioning corporations, and 49.43 percent of all tax due. Thus nearly one half of all the corporation income tax was paid by corporations whose headquarters are not in Iowa.

Tables 10 and 13 of the Statistical Appendix show that 1,475 resident apportioning corporations paid the remaining $30.8 million in tax paid by apportioning corporations. These corporations represent the corporations that have Iowa headquarters, but also do business in other states. These corporations paid over 25 percent of all the corporation income tax due in 1983.

Nonapportioning Returns

Nonapportioning corporations are those corporations which conduct all their sales within the state of Iowa. On the average, nonapportioning corporations report a much smaller average tax than apportioning corporations, $2,277 compared to an average tax liability of $23,308 for apportioning corporations for 1983. In addition, nonapportioning corporations are much greater in number, comprising 77.82 percent of the total pay returns filed.

Analysis by Taxable Income

Table F shows that nonapportioning corporations are concentrated in number largely in the lower income brackets, with 66.05 percent of the corporations having taxable income of less than $25,000. This is virtually unchanged from the previous year. In addition, more than half of the tax liability is concentrated in the income brackets under $100,000. This is not characteristic of the apportioning corporations, and displays a great domination by small corporations, with the relative absence of large firms. Also, the percent of tax owed by corporations in the $1,000,000 and over category represents only 9.20 percent of all tax paid by apportioning corporations.

TABLE F
Total Nonapportioning Pay Returns and Tax
By Taxable Income

Taxable Income Bracket	Number of Returns	% Dist.	Computed Tax	% Dist.
$ 0-$ 25,000	9,097	66.05%	$ 4,659,260.34	14.86%
$ 25,000-$ 100,000	4,085	29.66%	13,516,115.44	43.11%
$100,000-$ 500,000	548	3.98%	8,100,788.06	25.84%
$500,000-$1,000,000	29	.22%	2,191,503.60	6.99%
$1,000,000 +	13	.09%	2,886,350.20	9.20%
TOTAL	13,772	100.00%	$31,354,017.64	100.00%

Analysis of Business Class

The pattern of distribution among business classes by amount of tax paid is remarkably even, with all categories on Table G claiming between 6 percent and 17 percent of the tax paid, with the exception of mining and miscellaneous which each had less than 2 percent. Such a broad distribution reflects the fact that these firms do all their business in Iowa, and therefore represents the whole spectrum of business activity in Iowa. There is much more variance in the percentage distribution of the number of returns filed by class. In this case, the retail, finance, agriculture, and service classes comprise the major share of firms. This is an indication that the businesses in the classes where more returns are filed generally are smaller in size, since the amount of tax owed by all the various classes is quite uniform.

TABLE G
Total Nonapportioning Pay Returns and Tax
By Business Class

Business Class	Number of Returns	% Dist.	Computed Tax	% Dist.
Agriculture	2,645	19.21%	$ 5,226,420.10	16.67%
Mining	44	.32	580,418.80	1.85
Construction	890	6.46	2,011,889.06	6.42
Manufacturing	565	4.10	3,062,197.96	9.77
Utilities	468	3.40	2,415,344.38	7.70
Wholesale Trade	1,153	8.37	3,905,987.72	12.46
Retail Trade	2,649	19.23	5,621,856.98	17.92
Finance	2,162	15.70	3,652,346.48	11.65
Services	3,166	22.99	4,848,977.82	15.47
Miscellaneous	30	.22	28,578.34	.09
TOTAL	13,772	100.00%	$31,354,017.64	100.00%

ANALYSIS BY RESIDENCY

The majority of corporations that file tax returns with the Department of Revenue have their headquarters within the state of Iowa. In fact, of the 17,697 total pay returns filed, 14,837 or 83.84 percent are resident returns as shown on Tables H & I. However, these corporations paid only $59.7 million in tax or 48.61 percent of the tax liability. Nonresidents paid the remaining $63.1 million, even though they comprised only 16.16 percent of total returns. As a result, resident corporations have a much smaller average tax paid, $4,024, compared to $22,073 for nonresident corporations.

Analysis by Taxable Income Brackets

It is always the case that the predominant number of returns appear in the lowest income brackets, while a very small percentage of returns are in the uppermost income bracket. This is the trend for both resident and nonresident returns. However, this trend is much more evident for resident returns where the lowest bracket has 65.06 percent of returns, and the highest two brackets have .52 percent of returns, as shown in Table H on page 26. In contrast, among nonresident returns 61.64 percent are in the $0-$25,000 income bracket, while 6.86 percent of returns were in the $1,000,000 plus income bracket.

Payment of tax is generally concentrated in higher income brackets. This is evident among the nonresident corporations, where 73.14 percent of tax is from the $1,000,000

TABLE H
COMPARISON OF RETURNS AND TAX
BY TAXABLE INCOME
FOR RESIDENT AND NONRESIDENT RETURNS

Taxable Income Brackets	RETURNS				TAX			
	Resident		Nonresident		Resident		Nonresident	
	Number	% Dist.	Number	% Dist.	Amount	% Dist.	Amount	% Dist.
$ 0-$ 25,000	9,653	65.06%	1,763	61.64%	$ 4,928,008.74	8.25%	$ 704,952.42	1.12%
$ 25,000-$ 100,000	4,409	29.72	543	18.99	14,618,290.96	24.48	2,010,467.12	3.18
$100,000-$ 500,000	698	4.70	358	12.51	11,091,986.50	18.58	7,266,956.22	11.51
$500,000-$1,000,000	42	.28	92	3.22	3,232,189.56	5.42	6,973,463.90	11.05
$1,000,000 and Over	35	.24	104	3.64	25,837,909.80	43.27	46,172,735.16	73.14
TOTAL	14,837	100.00%	2,860	100.00%	$59,708,385.56	100.00%	$63,128,574.82	100.00%

TABLE I
COMPARISON OF RETURNS AND TAX
BY BUSINESS CLASS
FOR RESIDENT AND NONRESIDENT RETURNS

Business Class	RETURNS				TAX			
	Resident		Nonresident		Resident		Nonresident	
	Number	% Dist.	Number	% Dist.	Amount	% Dist.	Amount	% Dist.
Agriculture	2,651	17.87%	127	4.44%	$ 7,771,580.90	13.01%	$ 398,591.32	.62%
Mining	56	.38	17	.59	887,239.10	1.48	1,384,647.80	2.19
Construction	1,003	6.76	272	9.51	2,899,990.12	4.86	754,773.54	1.20
Manufacturing	972	6.55	653	22.83	6,374,032.18	10.68	26,157,737.74	41.44
Utilities and Transportation	545	3.67	203	7.10	19,321,952.86	32.36	17,950,958.12	28.44
Wholesale Trade	1,410	9.50	414	14.48	5,631,235.12	9.43	5,411,925.16	8.57
Retail Trade	2,747	18.51	412	14.41	7,760,151.90	13.00	5,792,506.60	9.18
Finance	2,172	14.64	274	9.58	4,106,971.48	6.88	2,520,798.76	3.99
Services	3,252	21.92	478	16.71	4,930,126.44	8.26	2,737,254.72	4.34
Miscellaneous	29	.20	10	.35	25,105.46	.04	19,381.06	.03
TOTAL	14,837	100.00%	2,860	100.00%	$59,708,385.56	100.00%	$63,128,574.82	100.00%

plus income bracket, and only 1.12 percent of the tax is derived from firms which have less than $25,000 income. For resident corporations, the tax liability is distributed throughout the income range much more evenly. While 43.27 percent of the tax was from the $1,000,000 and over bracket, 32.73 percent of the tax was paid by corporations having income of less than $100,000 a year. The percentage of tax from the $1,000,000 and over category rose from 38.34 percent in 1982 to 43.27 percent in 1983.

Analysis by Business Class

Resident and nonresident returns display different patterns of filing by business class. In this report, Table I on page 24 displays this relationship. The category showing the most radical difference is manufacturing, where only 6.55 percent of residents were from this category, but 22.83 percent of nonresidents were manufacturers. Agriculture quite naturally had a larger proportion of resident filers, 17.87 percent compared to 4.44 percent for nonresidents. While the proportion of returns in resident and nonresident is very similar for other business classes, it should be remembered that there are a much larger number of resident corporations than nonresident corporations.

Analysis of Nonresidents

Concerning tax amounts, nonresident corporations are heavily biased toward manufacturing, utilities & transportation, retail trade, and wholesale trade which respectively constitute 41.44 percent, 28.44 percent, 9.18 percent, and 8.57 percent of the total tax burden for nonresidents. No other category of business had as much as 5 percent of the total tax.

Analysis of Residents

For resident corporations, the payment of tax was more evenly distributed. The same four classes mentioned in the previous paragraph held a major share of the tax burden, as was true with nonresidents. However, for nonresidents these four classes comprised 87.63 percent of the burden, while for residents those four classes held 65.47 percent of the total tax liability. In addition to this, agriculture had a major share of the tax paid, with 13.01 percent.

Analysis By County

The portion of the corporate income tax that is paid by residents is displayed by county on Table 15 of the Statistical Appendix. Corporations are classified by the county in which their headquarters or primary place of business is located, and all their business is assumed to derive from that county, for purposes of this table. In reality, their business transactions probably encompass a larger number of counties. Consequently Table 15 should be interpreted as an approximate indicator of tax liability reported in each county.

Among the various counties, tax liability was generally a reflection of population density. Consistent with this, Polk County had the greatest level of corporate activity with 12.20 percent of all returns filed, and 11.14 percent of all tax paid. Linn County was second with 5.05 percent of returns, but third in percent of tax paid with 4.42 percent. Scott County was third in returns with 4.67 percent, and second in tax with 4.62 percent. Black Hawk was fourth in return percentage with 3.62 while Woodbury County was fourth in percentage of tax paid, with 3.72.

IOWA FRANCHISE

TAX

SUMMARY OF THE IOWA FRANCHISE TAX LAW

Taxable Institutions

Since 1971, financial institutions have been subject to a franchise tax measured by income. The franchise tax is measured by the amount of net income, and is imposed by the state of Iowa on financial institutions for the privilege of doing business in the state. A financial institution is defined as a state bank or a national banking association having its principal office within this state, a trust company, a federally chartered savings and loan association, a financial institution chartered by the federal home loan bank board, a production credit association, or a savings and loan association incorporated or authorized to do business under Iowa law.

Taxable Income

For tax years beginning on or after January 1, 1980 these organizations must pay a franchise tax on their net income the same as computed for Iowa corporate income tax purposes (see page 5) with the following adjustments.

1. A deduction is not allowed for interest and dividends on federal securities.

2. A deduction is not allowed for federal income taxes paid or accrued during the tax year.

Tax Rate

The taxable income, as computed above, is subject to a rate of five percent on all income.

Allocation of Revenue

Franchise tax net receipts act as both a state and a local revenue source. On a quarterly basis, 55 percent of franchise tax receipts are deposited in the state general fund. The remaining 45 percent of the receipts are distributed back to the cities and counties in which the financial institutions are located. For any given financial institution, 60 percent of the remaining 45 percent of its annual tax is distributed to the general fund of the city in which it is located and 40 percent is distributed to the general fund of the county in which it is located. For financial institutions with branch locations, the amount of tax distributed to the cities and counties in which the branches are located is based upon the percent of total business generated by that particular branch compared to the total business of the financial institution.

ANALYSIS OF FRANCHISE TAX RETURNS RECEIVED

During calendar year 1983, a total of 750 franchise tax returns were received by the Department of Revenue. This is a decrease of 1 return from the previous year. Of the returns received in 1983, the 620 taxable returns had a total taxable income of $262.3 million, a drop of 16.41 percent from that reported on returns received in 1982. Computed tax fell from $15.7 million in 1982 to $13.1 million in 1983.

Table J shows the distribution of pay returns and computed tax by income brackets. As expected, the majority of tax is paid by a minority of filers in the higher income brackets. Filers with taxable income over $500,000 represented 25.32 percent of all filers, but paid 58.52 percent of the tax. At the same time, filers with under

$500,000 taxable income represented 74.68 percent of all filers, but paid only 41.48 percent of the total tax. Table 16 of the Statistical Appendix shows more complete data on these financial institutions.

TABLE J
Number of Franchise Tax Returns and Computed Tax
By Taxable Income Brackets

Taxable Income Brackets	Number of Returns	Percent Dist.	Computed Tax	Percent Dist.
$ 0-$ 25,000	13	2.10%	$ 7,225.70	.06%
$ 25,001-$ 50,000	20	3.23	37,139.30	.28
$ 50,001-$ 75,000	19	3.06	57,480.00	.44
$ 75,001-$ 100,000	26	4.19	117,713.75	.90
$100,001-$ 150,000	68	10.97	436,932.45	3.33
$150,001-$ 200,000	59	9.52	520,578.85	3.96
$200,001-$ 250,000	55	8.87	623,782.45	4.75
$250,001-$ 500,000	203	32.74	3,646,865.75	27.76
$500,001-$ 750,000	88	14.19	2,655,517.90	20.22
$750,001-$1,000,000	23	3.71	996,590.85	7.58
Over-$1,000,000	46	7.42	4,036,373.05	30.72
	620	100.00%	$13,136,200.05	100.00%

Also notable is the fact that the income subject to tax in Iowa is much greater than the federal taxable income. The 620 financial institutions with taxable income reported federal taxable income of $77.8 million for an average of $125,544, while they reported Iowa taxable income of $262.3 million, for an average of $423,066 which is 237.0 percent larger than federal taxable income. The difference in the tax base occurs largely because of the inclusion, for state tax purposes, of income from foreign, state and local securities which is exempt from federal tax.

Distribution of Franchise Tax on a Quarterly Basis

As was explained in the previous section on the summary of tax law, franchise tax receipts are distributed on a quarterly basis. Based on this distribution formula,

during calendar 1983, $6.2 million was allocated to the state general fund, $2.7 million was allocated to the various city general funds, and $1.8 million was distributed to the various county general funds. The total money distributed during the year was $10,816,005.58. This figure varies somewhat from the computed tax figure quoted previously in the report. This is due to the fact that receipts are distributed on a net payments basis. Net payments reflect the amount of money actually received by the Department during the year. Thus, refunds owed to taxpayers and additional payments due may not be reflected in the net payments figure for the year, causing this total to be at variance with the computed tax due.

STATISTICAL

APPENDIX

TABLE 1

TOTAL CORPORATION PAY RETURNS AND TAX
BY BUSINESS CLASS

Business Class	Pay Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net	Income Subject To Tax	State Tax
Agriculture	2,778	$ 247,213,068	$ 33,032,542	$ 209,969,742	$ 101,578,472	$ 8,170,172.22
Mining	73	1,786,521,456	181,791,221	1,898,259,050	20,992,013	2,271,886.90
Construction	1,275	641,077,368	74,575,081	564,744,244	44,013,847	3,654,763.66
Manufacturing	1,625	32,023,278,148	3,532,984,057	33,419,846,772	304,558,625	32,531,769.92
Utilities and Transportation	748	4,300,832,436	386,127,868	3,937,899,719	323,446,482	37,272,910.98
Wholesale Trade	1,824	3,299,194,754	552,221,325	2,811,512,214	121,989,558	11,043,160.28
Retail Trade	3,159	2,810,088,413	487,219,401	2,445,886,098	150,090,185	13,552,658.50
Finance	2,446	3,294,904,709	233,674,683	3,183,781,936	77,352,293	6,627,770.24
Services	3,730	1,835,021,567	159,912,835	1,953,419,323	97,232,833	7,667,381.16
Miscellaneous	39	20,620,912	3,349,085	17,302,311	643,944	44,486.52
TOTAL PAY:	17,697	$ 50,258,752,831	$ 5,644,888,098	$50,442,621,409	$1,241,898,252	$ 122,836,960.38
No-Pay:	18,768					
Subchapter S:	9,096					
GRAND TOTAL:	45,561					

TABLE 2

RESIDENT CORPORATION PAY RETURNS AND TAX
BY BUSINESS CLASS

Business Class	Pay Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net	Income Subject To Tax	State Tax
Agriculture	2,651	$ 204,818,501	$ 31,629,577	$ 178,890,405	$ 96,981,177	$ 7,771,580.90
Mining	56	16,401,564	3,040,663	14,638,906	8,843,634	887,239.10
Construction	1,003	46,388,137	4,982,433	43,511,447	35,728,155	2,899,990.12
Manufacturing	972	524,535,661	92,744,200	434,170,336	67,854,218	6,374,032.18
Utilities and Transportation	545	210,129,050	21,536,286	208,395,292	169,552,428	19,321,952.86
Wholesale Trade	1,410	92,082,048	11,140,830	85,760,077	70,392,389	5,631,235.12
Retail Trade	2,747	111,751,936	13,544,415	105,029,363	94,863,845	7,760,151.90
Finance	2,172	87,932,941	11,346,014	80,416,092	52,418,220	4,106,971.48
Services	3,252	85,558,528	8,013,904	80,178,516	68,530,496	4,930,126.44
Miscellaneous	29	396,707	18,340	398,707	393,238	25,105.46
TOTAL PAY	14,837	$ 1,379,995,073	$ 197,996,662	$ 1,231,389,141	$ 665,557,800	$ 59,708,385.56
No-Pay:	14,803					
Subchapter S:	8,686					
GRAND TOTAL:	38,326					

TABLE 3

NONRESIDENT CORPORATION PAY RETURNS AND TAX
BY BUSINESS CLASS

Business Class	Pay Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net	Income Subject To Tax	State Tax
Agriculture	127	$ 42,394,567	$ 1,402,965	$ 31,079,337	$ 4,597,295	$ 398,591.32
Mining	17	1,770,119,892	178,750,558	1,883,620,144	12,148,379	1,384,647.80
Construction	272	594,689,231	69,592,648	521,232,797	8,285,692	754,773.54
Manufacturing	653	31,498,742,487	3,440,239,857	32,985,676,436	236,704,407	26,157,737.74
Utilities and Transportation	203	4,090,703,386	364,591,582	3,729,504,427	153,894,054	17,950,958.12
Wholesale Trade	414	3,207,112,706	541,080,495	2,725,752,137	51,597,169	5,411,925.16
Retail Trade	412	2,698,336,477	473,674,986	2,340,856,735	55,226,340	5,792,506.60
Finance	274	3,206,971,768	222,328,669	3,103,365,844	24,934,073	2,520,798.76
Services	478	1,749,463,039	151,898,931	1,873,240,807	28,702,337	2,737,254.72
Miscellaneous	10	20,224,205	3,330,745	16,903,604	250,706	19,381.06
TOTAL PAY:	2,860	$48,878,757,758	$5,446,891,436	$49,211,232,268	$ 576,340,452	$ 63,128,574.82
No-Pay:	3,965					
Subchapter S:	410					
GRAND TOTAL:	7,235					

TABLE 4

TOTAL CORPORATION PAY RETURNS AND TAX
BY TAXABLE INCOME

Taxable Income Bracket	Pay Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net	Income Subject To Tax	State Tax
$ 0-$ 25,000	11,416	$ 2,065,878,151	$ 230,725,606	$ 1,936,085,628	$ 93,882,686	$ 5,632,961.16
$ 25,001-$ 50,000	3,093	1,527,438,496	226,686,843	1,391,403,382	111,259,790	7,354,283.20
$ 50,001-$ 75,000	1,280	1,906,523,081	201,482,327	1,526,236,212	77,617,030	5,569,362.40
$ 75,001-$ 100,000	579	785,486,793	106,015,420	712,967,047	49,932,656	3,705,112.48
$ 100,001-$ 150,000	481	1,252,429,920	132,953,183	1,141,521,019	58,585,464	4,656,046.40
$ 150,001-$ 200,000	228	1,236,041,295	124,535,534	1,082,156,428	39,324,406	3,362,440.60
$ 200,001-$ 250,000	107	587,174,803	119,942,899	1,497,342,852	23,709,493	2,103,449.30
$ 250,001-$ 300,000	80	687,742,748	82,742,985	601,586,923	21,863,324	2,023,598.88
$ 300,001-$ 400,000	92	2,312,210,802	153,479,991	2,430,946,263	31,595,338	3,095,665.40
$ 400,001-$ 500,000	68	1,646,082,652	258,960,430	1,418,623,311	30,294,696	3,117,742.14
$ 500,001-$ 750,000	84	5,825,004,115	497,397,480	6,078,519,203	51,415,403	5,484,387.68
$ 750,001-$1,000,000	50	4,868,928,363	398,581,416	5,802,682,718	42,945,796	4,721,265.78
$1,000,001-$2,000,000	67	4,958,036,966	772,835,065	4,208,252,307	92,890,558	10,618,795.76
$ Over-$2,000,000	72	20,599,774,646	2,338,548,919	20,614,298,116	516,581,612	61,391,849.20
TOTAL PAY:	17,697	$50,258,752,831	$ 5,644,888,098	$50,442,621,409	$ 1,241,898,252	$122,836,960.38
No-Pay:	18,768					
Subchapter S:	9,096					
GRAND TOTAL:	45,561					TOTAL

TABLE 5

RESIDENT CORPORATION PAY RETURNS AND TAX
BY TAXABLE INCOME

Taxable Income Bracket	Pay Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net	Income Subject To Tax	State Tax
$ 0-$ 25,000	9,653	$ 142,155,531	$ 13,615,295	$ 128,829,224	$ 82,133,479	$ 4,928,008.74
$ 25,001-$ 50,000	2,808	128,210,653	10,120,344	123,102,567	101,115,383	6,685,230.64
$ 50,001-$ 75,000	1,121	101,270,707	10,030,082	94,419,264	67,989,589	4,878,667.12
$ 75,001-$ 100,000	480	56,332,400	5,462,501	53,173,236	41,179,915	3,054,393.20
$ 100,001-$ 150,000	361	76,942,951	10,990,756	69,096,392	43,703,977	3,467,897.70
$ 150,001-$ 200,000	146	41,922,512	7,032,252	36,979,272	25,022,617	2,137,261.70
$ 200,001-$ 250,000	65	35,906,607	6,228,833	30,454,915	14,380,717	1,275,571.70
$ 250,001-$ 300,000	48	53,886,476	7,796,504	46,707,134	13,009,845	1,201,181.40
$ 300,001-$ 400,000	45	37,945,195	6,091,994	34,470,614	15,511,964	1,523,935.68
$ 400,001-$ 500,000	33	62,655,497	12,955,734	50,501,902	14,446,986	1,486,138.32
$ 500,001-$ 750,000	26	83,991,341	11,450,163	79,173,294	15,707,364	1,689,883.68
$ 750,001-$1,000,000	16	26,623,505	5,540,153	22,424,918	13,852,549	1,542,305.88
$1,000,001-$2,000,000	20	186,154,566	35,120,997	151,416,975	26,242,648	2,999,117.76
Over-$2,000,000	15	345,997,132	55,561,054	310,639,434	191,260,767	22,838,792.04
TOTAL PAY:	14,837	$ 1,379,995,073	$ 197,996,662	$ 1,231,389,141	$ 665,557,800	$ 59,708,385.56
No-Pay:	14,803					
Subchapter S:	8,686					
GRAND TOTAL:	38,326					

TABLE 6

NONRESIDENT CORPORATION PAY RETURNS AND TAX
BY TAXABLE INCOME

Taxable Income Bracket	Pay Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net	Income Subject To Tax	State Tax
$ 0-$ 25,000	1,763	$ 1,923,722,620	$ 217,110,311	$ 1,807,256,404	$ 11,749,207	$ 704,952.42
$ 25,001-$ 50,000	285	1,399,227,843	216,566,499	1,268,300,815	10,144,407	669,052.56
$ 50,001-$ 75,000	159	1,805,252,374	191,452,245	1,431,816,948	9,627,441	690,695.28
$ 75,001-$ 100,000	99	729,154,393	100,552,919	659,793,811	8,752,741	650,719.28
$ 100,001-$ 150,000	120	1,175,486,969	121,962,427	1,072,424,627	14,881,487	1,188,148.70
$ 150,001-$ 200,000	82	1,194,118,783	117,503,282	1,045,177,156	14,301,789	1,225,178.90
$ 200,001-$ 250,000	42	551,268,196	113,714,066	1,466,887,937	9,328,776	827,877.60
$ 250,001-$ 300,000	32	633,856,272	74,946,481	554,879,789	8,853,479	822,417.48
$ 300,001-$ 400,000	47	2,274,265,607	147,387,997	2,396,475,649	16,083,374	1,571,729.72
$ 400,001-$ 500,000	35	1,583,427,155	246,004,696	1,368,121,409	15,847,710	1,631,603.82
$ 500,001-$ 750,000	58	5,741,012,774	485,947,317	5,999,345,909	35,708,039	3,794,504.00
$ 750,001-$1,000,000	34	4,842,304,858	393,041,263	5,780,257,800	29,093,247	3,178,959.90
$1,000,001-$2,000,000	47	4,771,882,400	737,714,068	4,056,835,332	66,647,910	7,619,678.00
Over-$2,000,000	57	20,253,777,514	2,282,987,865	20,303,658,682	325,320,845	38,553,057.16
TOTAL PAY:	2,860	$ 48,878,757,758	$5,446,891,436	$49,211,232,268	$ 576,340,452	$ 63,128,574.82
No-Pay:	3,965					
Subchapter S:	410					
GRAND TOTAL:	7,235					

TABLE 7

TOTAL NONAPPORTIONING CORPORATION PAY RETURNS AND TAX
BY BUSINESS CLASS

Business Class	Pay Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net	Income Subject To Tax	State Tax
Agriculture	2,645	$ 79,691,264	$ 5,413,529	$ 77,996,578	$ 75,353,966	$ 5,226,420.10
Mining	44	6,965,437	904,627	6,408,395	6,008,078	580,418.80
Construction	890	30,474,660	3,033,395	28,975,794	26,214,275	2,011,889.06
Manufacturing	565	38,538,260	5,447,592	35,714,370	33,802,186	3,062,197.96
Utilities and Transportation	468	31,478,143	3,590,390	30,525,985	27,701,829	2,415,344.38
Wholesale Trade	1,153	55,430,661	4,891,780	54,219,482	50,947,208	3,905,987.72
Retail Trade	2,649	79,923,301	8,165,632	76,814,915	75,187,449	5,621,856.98
Finance	2,162	200,460,266	5,699,190	198,350,616	48,015,615	3,652,346.48
Services	3,166	75,224,568	6,412,641	68,679,594	67,286,510	4,848,977.82
Miscellaneous	30	446,368	18,340	448,368	442,899	28,578.34
TOTAL PAY:	13,772	$ 598,632,928	$ 43,577,116	$ 578,134,097	$ 410,960,015	$ 31,354,017.64
No-Pay:	15,983					
Subchapter S:	9,096					
GRAND TOTAL:	38,851					

TABLE 8

TOTAL NONAPPORTIONING CORPORATION PAY RETURNS AND TAX
BY TAXABLE INCOME

Taxable Income Bracket	Pay Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net	Income Subject To Tax	State Tax
$ 0-$ 25,000	9,097	$ 240,915,134	$ 6,581,925	$ 237,333,842	$ 77,654,339	$ 4,659,260.34
$ 25,001-$ 50,000	2,616	98,574,851	6,313,292	96,998,303	94,345,014	6,239,601.12
$ 50,001-$ 75,000	1,031	66,116,870	4,503,036	64,696,132	62,484,230	4,483,238.40
$ 75,001-$ 100,000	438	39,857,158	3,248,011	38,040,261	37,653,449	2,793,275.92
$ 100,001-$ 150,000	306	40,663,709	4,163,671	37,470,791	36,914,232	2,926,423.20
$ 150,001-$ 200,000	117	22,250,127	3,125,878	20,715,144	20,178,558	1,725,355.80
$ 200,001-$ 250,000	51	12,516,258	1,714,025	11,265,803	11,265,803	999,080.30
$ 250,001-$ 300,000	28	8,480,559	1,248,343	7,846,474	7,707,094	714,851.28
$ 300,001-$ 400,000	29	11,516,080	1,540,402	10,838,229	9,852,728	964,827.36
$ 400,001-$ 500,000	17	7,880,125	1,285,693	7,481,251	7,481,251	770,250.12
$ 500,001-$ 750,000	20	13,413,460	2,371,894	12,096,608	12,072,058	1,298,646.96
$ 750,001-$1,000,000	9	8,739,302	1,566,069	8,002,972	8,002,972	892,856.64
$1,000,001-$2,000,000	8	9,128,067	1,747,236	9,671,298	9,671,298	1,100,555.76
$ Over-$2,000,000	5	18,581,228	4,167,641	15,676,989	15,676,989	1,785,794.44
TOTAL PAY:	13,772	$ 598,632,928	$ 43,577,116	$ 578,134,097	$ 410,960,015	$ 31,354,017.64
No-Pay:	15,983					
Subchapter S:	9,096					
GRAND TOTAL:	38,851					

TABLE 9

TOTAL APPORTIONING CORPORATION PAY RETURNS AND TAX
BY BUSINESS CLASS

Business Class	Number of Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net Income	Total Non-Business Income
Agriculture	133	$ 167,521,804	$ 27,619,013	$ 131,973,164	$ 351,949
Mining	29	1,779,556,019	180,886,594	1,891,850,655	72,033,683
Construction	385	610,602,708	71,541,686	535,768,450	100,019,637
Manufacturing	1,060	31,984,739,888	3,527,536,465	33,384,132,402	5,759,075,588
Utilities and Transportation	280	4,269,354,293	382,537,478	3,907,373,734	182,820,280
Wholesale Trade	671	3,243,764,093	547,329,545	2,757,292,732	312,973,121
Retail Trade	510	2,730,165,112	479,053,769	2,369,071,183	60,017,535
Finance	284	3,094,444,443	227,975,493	2,985,431,320	146,244,297
Services	564	1,759,796,999	153,500,194	1,884,739,729	141,657,592
Miscellaneous	9	20,174,544	3,330,745	16,853,943	5,037,832
TOTAL PAY:	3,925	$49,660,119,903	$ 5,601,310,982	$49,864,487,312	$ 6,780,231,514
No-Pay:	2,785				
Subchapter S:	00				
GRAND TOTAL:	6,710				

TABLE 9 (Cont.)

TOTAL APPORTIONING CORPORATION PAY RETURNS AND TAX
BY BUSINESS CLASS

Business Class	Number of Returns	Non-Business Income Assigned to Iowa	Income Apportioned to Iowa	Income Subject To Tax	State Tax
Agriculture	133	$ 88,744	$ 26,425,953	$ 26,224,506	$ 2,943,752.12
Mining	29	76,183	15,008,733	14,983,935	1,691,468.10
Construction	385	64,253	20,168,733	17,799,572	1,642,874.60
Manufacturing	1,060	862,474	271,875,644	270,756,439	29,469,571.96
Utilities and Transportation	280	194,666	296,053,875	295,744,653	34,857,566.60
Wholesale Trade	671	451,405	71,126,367	71,042,350	7,137,172.56
Retail Trade	510	154,571	75,024,862	74,902,736	7,930,801.52
Finance	284	304,029	31,330,772	29,336,678	2,975,423.76
Services	564	544,250	30,176,230	29,946,323	2,818,403.34
Miscellaneous	9	00	201,045	201,045	15,908.18
TOTAL PAY:	3,925	$ 2,740,575	$ 837,392,214	$ 830,938,237	$ 91,482,942.74
No-Pay:	2,785				
Subchapter S:	00				
GRAND TOTAL:	6,710				

TABLE 10

RESIDENT APPORTIONING CORPORATION PAY RETURNS AND TAX
BY BUSINESS CLASS

Business Class	Number of Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net Income	Total Non-Business Income
Agriculture	75	$ 126,721,938	$ 26,352,195	$ 102,493,256	$ 90,521
Mining	15	10,257,405	2,312,568	8,949,888	82,561
Construction	124	17,532,219	2,250,729	15,861,535	57,584
Manufacturing	423	492,337,371	88,545,778	404,327,851	3,770,089
Utilities and Transportation	93	184,512,695	19,204,195	182,882,268	493,917
Wholesale Trade	283	40,325,194	6,829,462	35,052,303	400,311
Retail Trade	206	36,100,834	5,964,202	32,124,000	109,671
Finance	96	41,976,757	6,384,496	36,143,253	2,355,619
Services	160	17,831,511	2,137,530	15,871,003	287,095
Miscellaneous	00	00	00	00	00
TOTAL PAY:	1,475	$ 967,595,924	$ 159,981,155	$ 833,705,357	$ 7,647,368
No Pay:	934				
Subchapter S:	00				
GRAND TOTAL:	2,409				

TABLE 10 (Cont.)

RESIDENT APPORTIONING CORPORATION PAY RETURNS AND TAX
BY BUSINESS CLASS

Business Class	Number of Returns	Non-Business Income Assigned to Iowa	Income Apportioned to Iowa	Income Subject To Tax	State Tax
Agriculture	75	$ 86,827	$ 23,095,343	$ 23,127,126	$ 2,645,267.44
Mining	15	60,837	3,595,077	3,554,933	381,451.94
Construction	124	57,584	10,472,905	9,754,388	905,102.42
Manufacturing	423	704,024	39,849,055	39,893,644	3,943,745.28
Utilities and Transportation	93	191,156	145,965,681	146,142,188	17,323,936.64
Wholesale Trade	283	377,355	20,122,362	20,389,251	1,797,960.20
Retail Trade	206	100,908	23,273,883	23,358,117	2,403,015.68
Finance	96	269,665	10,773,222	9,520,049	919,798.68
Services	160	127,044	5,894,901	5,575,498	442,393.08
Miscellaneous	00	00	00	00	0.00
TOTAL PAY:	1,475	$ 1,975,400	$ 283,042,429	$ 281,315,194	$ 30,762,671.36
No-Pay:	934				
Subchapter S:	00				
GRAND TOTAL:	2,409				

TABLE 11

NONRESIDENT APPORTIONING CORPORATION PAY RETURNS AND TAX
BY BUSINESS CLASS

Business Class	Number of Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net Income	Total Non-Business Income
Agriculture	58	$ 40,799,866	$ 1,266,818	$ 29,479,908	$ 261,428
Mining	14	1,769,298,614	178,574,026	1,882,900,767	71,951,122
Construction	261	593,070,489	69,290,957	519,906,915	99,962,053
Manufacturing	637	31,492,402,517	3,438,990,687	32,979,804,551	5,755,305,499
Utilities and Transportation	187	4,084,841,598	363,333,283	3,724,491,466	182,326,363
Wholesale Trade	388	3,203,438,899	540,500,083	2,722,240,429	312,572,810
Retail Trade	304	2,694,064,278	473,089,567	2,336,947,183	59,907,864
Finance	188	3,052,467,686	221,590,997	2,949,288,067	143,888,678
Services	404	1,741,965,488	151,362,664	1,868,868,726	141,370,497
Miscellaneous	9	20,174,544	3,330,745	16,853,943	5,037,832
TOTAL PAY:	2,450	$ 48,692,523,979	$ 5,441,329,827	$49,030,781,955	$ 6,772,584,146
No-Pay:	1,851				
Subchapter S:	00				
GRAND TOTAL:	4,301				

TABLE 11 (Cont.)

NONRESIDENT APPORTIONING CORPORATION PAY RETURNS AND TAX
BY BUSINESS CLASS

Business Class	Number of Returns	Non-Business Income Assigned to Iowa	Income Apportioned to Iowa	Income Subject To Tax	State Tax
Agriculture	58	$ 1,917	$ 3,330,610	$ 3,097,380	$ 298,484.68
Mining	14	15,346	11,413,656	11,429,002	1,310,016.16
Construction	261	6,669	9,695,828	8,045,184	737,772.18
Manufacturing	637	158,450	232,026,589	230,862,795	25,525,826.68
Utilities and Transportation	187	3,510	150,088,194	149,602,465	17,533,629.96
Wholesale Trade	388	74,050	51,004,005	50,653,099	5,339,212.36
Retail Trade	304	53,663	51,750,979	51544,619	5,527,785.84
Finance	188	34,364	20,557,550	19,816,629	2,055,625.08
Services	404	417,206	24,281,329	24,370,825	2,376,010.26
Miscellaneous	9	00	201,045	201,045	15,908.18
TOTAL PAY:	2,450	$ 765,175	$ 554,349,785	$ 549,623,043	$ 60,720,271.38
No-Pay:	1,851				
Subchapter S:	00				
GRAND TOTAL:	4,301				

TABLE 12

TOTAL APPORTIONING CORPORATION PAY RETURNS AND TAX
BY TAXABLE INCOME

Taxable Income Bracket	Number of Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net Income	Total Non-Business Income
$ 0-$ 25,000	2,319	$ 1,824,963,017	$ 224,143,681	$ 1,698,751,786	$ 154,714,068
$ 25,001-$ 50,000	477	1,428,863,645	220,373,551	1,294,405,079	108,340,255
$ 50,001-$ 75,000	249	1,840,406,211	196,979,291	1,461,540,080	383,934,593
$ 75,001-$ 100,000	141	745,629,635	102,767,409	674,926,786	42,258,769
$ 100,001-$ 150,000	175	1,211,766,211	128,789,512	1,104,050,228	97,605,955
$ 150,001-$ 200,000	111	1,213,791,168	121,409,656	1,061,441,284	108,045,873
$ 200,001-$ 250,000	56	574,658,545	118,228,874	1,486,077,049	175,821,838
$ 250,001-$ 300,000	52	679,262,189	81,494,642	593,740,449	6,112,301
$ 300,001-$ 400,000	63	2,300,694,722	151,939,589	2,420,108,034	552,129,895
$ 400,001-$ 500,000	51	1,638,202,527	257,674,737	1,411,142,060	107,192,738
$ 500,001-$ 750,000	64	5,811,590,655	495,025,586	6,066,422,595	729,835,450
$ 750,001-$1,000,000	41	4,860,189,061	397,015,347	5,794,679,746	1,682,010,591
$1,000,001-$2,000,000	59	4,948,908,899	771,087,829	4,198,581,009	660,960,661
Over-$2,000,000	67	20,581,193,418	2,334,381,278	20,598,621,127	1,971,268,527
TOTAL PAY:	3,925	$ 49,660,119,903	$ 5,601,310,982	$49,864,487,312	$ 6,780,231,514
No-Pay:	2,785				
Subchapter S:	00				
GRAND TOTAL:	6,710				

TABLE 12 (Cont.)

TOTAL APPORTIONING CORPORATION PAY RETURNS AND TAX
BY TAXABLE INCOME

Taxable Income Bracket	Number of Returns	Non-Business Income Assigned to Iowa	Income Apportioned to Iowa	Income Subject To Tax	State Tax
$ 0-$ 25,000	2,319	$ 350,232	$ 17,417,832	$ 16,228,347	$ 973,700.82
$ 25,001-$ 50,000	477	215,119	16,934,450	16,914,776	1,114,682.08
$ 50,001-$ 75,000	249	414,010	15,904,077	15,132,800	1,086,124.00
$ 75,001-$ 100,000	141	106,717	12,774,374	12,279,207	911,836.56
$ 100,001-$ 150,000	175	221,115	21,961,551	21,671,232	1,729,623.20
$ 150,001-$ 200,000	111	180,250	19,162,653	19,145,848	1,637,084.80
$ 200,001-$ 250,000	56	145,377	12,485,417	12,443,690	1,104,369.00
$ 250,001-$ 300,000	52	91,279	15,273,408	14,156,230	1,308,747.60
$ 300,001-$ 400,000	63	257,233	21,727,313	21,742,610	2,130,838.04
$ 400,001-$ 500,000	51	182,455	22,684,613	22,813,445	2,347,492.02
$ 500,001-$ 750,000	64	389,423	39,680,742	39,343,345	4,185,740.72
$ 750,001-$1,000,000	41	15,090	35,785,543	34,942,824	3,828,409.14
$1,000,001-$2,000,000	59	64,827	84,074,433	83,219,260	9,518,240.00
Over-$2,000,000	67	107,448	501,525,808	500,904,623	59,606,054.76
TOTAL PAY:	3,925	$ 2,740,575	$ 837,392,214	$ 830,938,237	$ 91,482,942.74
No-Pay:	2,785				
Subchapter S:	00				
GRAND TOTAL:	6,710				

TABLE 13

RESIDENT APPORTIONING CORPORATION PAY RETURNS AND TAX
BY TAXABLE INCOME

Taxable Income Bracket	Number of Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net Income	Total Non-Business Income
$ 0-$ 25,000	797	$ 57,728,534	$ 8,196,566	$ 47,221,023	$ 493,530
$ 25,001-$ 50,000	262	32,637,615	4,111,585	28,827,192	256,344
$ 50,001-$ 75,000	122	36,995,150	5,714,066	31,580,813	415,442
$ 75,001-$ 100,000	55	18,578,340	2,372,743	16,296,035	79,149
$ 100,001-$ 150,000	77	40,696,757	7,308,471	34,257,601	414,490
$ 150,001-$ 200,000	38	21,534,227	4,150,358	17,841,414	434,910
$ 200,001-$ 250,000	20	25,137,503	4,797,950	20,568,675	159,548
$ 250,001-$ 300,000	22	46,051,009	6,677,210	39,442,501	1,529,668
$ 300,001-$ 400,000	21	28,241,858	4,869,429	25,303,451	315,706
$ 400,001-$ 500,000	17	55,158,123	11,670,041	43,449,202	1,139,649
$ 500,001-$ 750,000	11	73,810,244	9,547,291	70,022,102	00
$ 750,001-$1,000,000	9	19,542,832	4,133,699	16,085,794	00
$1,000,001-$2,000,000	12	177,026,499	33,373,761	141,745,677	2,408,932
Over-$2,000,000	12	334,457,233	53,057,985	301,063,877	00
TOTAL PAY:	1,475	$ 967,595,924	$ 159,981,155	$ 833,705,357	$ 7,647,368
No-Pay:	934				
Subchapter S:	00				
GRAND TOTAL:	2,409				

TABLE 13 (Cont.)

RESIDENT APPORTIONING CORPORATION PAY RETURNS AND TAX
BY TAXABLE INCOME

Taxable Income Bracket	Number of Returns	Non-Business Income Assigned to Iowa	Income Apportioned to Iowa	Income Subject To Tax	State Tax
$ 0-$ 25,000	797	$ 256,061	$ 6,790,265	$ 6,559,753	$ 393,585.18
$ 25,001-$ 50,000	262	214,354	9,164,861	9,324,571	614,965.68
$ 50,001-$ 75,000	122	378,941	7,313,637	7,394,136	530,530.88
$ 75,001-$ 100,000	55	81,549	5,124,302	4,689,526	347,662.08
$ 100,001-$ 150,000	77	188,386	9,394,133	9,539,058	761,405.80
$ 150,001-$ 200,000	38	180,250	6,265,413	6,378,336	542,833.60
$ 200,001-$ 250,000	20	144,892	4,350,310	4,494,477	399,447.70
$ 250,001-$ 300,000	22	91,279	7,001,700	5,884,592	541,151.04
$ 300,001-$ 400,000	21	257,233	7,174,050	7,330,302	722,136.24
$ 400,001-$ 500,000	17	182,455	7,217,601	7,394,286	759,814.32
$ 500,001-$ 750,000	11	00	6,556,172	6,556,172	704,240.64
$ 750,001-$1,000,000	9	00	7,513,425	7,513,425	834,111.00
$1,000,001-$2,000,000	12	00	17,491,350	16,571,350	1,898,562.00
Over-$2,000,000	12	00	181,685,210	181,685,210	21,712,225.20
TOTAL PAY:	1,475	$ 1,975,400	$ 283,042,429	$281,315,194	$ 30,762,671.36
No Pay:	934				
Subchapter S:	00				
GRAND TOTAL:	2,409				

TABLE 14

NONRESIDENT APPORTIONING CORPORATION PAY RETURNS AND TAX
BY TAXABLE INCOME

Taxable Income Brackets	Number of Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net Income	Total Non-Business Income
$ 0-$ 25,000	1,522	$ 1,767,234,483	$ 215,947,115	$ 1,651,530,763	$ 154,220,538
$ 25,001-$ 50,000	215	1,396,226,030	216,261,966	1,265,577,887	108,083,911
$ 50,001-$ 75,000	127	1,803,411,061	191,265,225	1,429,959,267	383,519,151
$ 75,001-$ 100,000	86	727,051,295	100,394,666	658,630,751	42,179,620
$ 100,001-$ 150,000	98	1,171,069,454	121,481,041	1,069,792,627	97,191,465
$ 150,001-$ 200,000	73	1,192,256,941	117,259,298	1,043,599,870	107,610,963
$ 200,001-$ 250,000	36	549,521,042	113,430,924	1,465,508,374	175,662,290
$ 250,001-$ 300,000	30	633,211,180	74,817,432	554,297,948	4,582,633
$ 300,001-$ 400,000	42	2,272,452,864	147,070,160	2,394,804,583	551,814,189
$ 400,001-$ 500,000	34	1,583,044,404	246,004,696	1,367,692,858	106,053,089
$ 500,001-$ 750,000	53	5,737,780,411	485,478,295	5,996,400,493	729,835,450
$ 750,001-$1,000,000	32	4,840,646,229	392,881,648	5,778,593,952	1,682,010,591
$1,000,001-$2,000,000	47	4,771,882,400	737,714,068	4,056,835,332	658,551,729
Over-$2,000,000	55	20,246,736,185	2,281,323,293	20,297,557,250	1,971,268,527
TOTAL PAY:	2,450	$ 48,692,523,979	$5,441,329,827	$49,030,781,955	$ 6,772,584,146
No-Pay:	1,851				
Subchapter S:	00				
GRAND TOTAL:	4,301				

TABLE 14 (Cont.)

NONRESIDENT APPORTIONING CORPORATION PAY RETURNS AND TAX
BY TAXABLE INCOME

Taxable Income Brackets	Number of Returns	Non-Business Income Assigned to Iowa	Income Apportioned to Iowa	Income Subject To Tax	State Tax
$ 0-$ 25,000	1,522	$ 94,171	$ 10,627,567	$ 9,668,594	$ 580,115.64
$ 25,001-$ 50,000	215	765	7,769,589	7,590,205	499,716.40
$ 50,001-$ 75,000	127	35,069	8,590,440	7,738,664	555,593.12
$ 75,001-$ 100,000	86	25,168	7,650,072	7,589,681	564,174.48
$ 100,001-$ 150,000	98	32,729	12,567,418	12,132,174	968,217.40
$ 150,001-$ 200,000	73	00	12,897,240	12,767,512	1,094,251.20
$ 200,001-$ 250,000	36	485	8,135,107	7,949,213	704,921.30
$ 250,001-$ 300,000	30	00	8,271,708	8,271,638	767,596.56
$ 300,001-$ 400,000	42	00	14,553,263	14,412,308	1,408,701.80
$ 400,001-$ 500,000	34	00	15,467,012	15,419,159	1,587,677.70
$ 500,001-$ 750,000	53	389,423	33,124,570	32,787,173	3,481,500.08
$ 750,001-$1,000,000	32	15,090	28,272,118	27,429,399	2,994,298.14
$1,000,001-$2,000,000	47	64,827	66,583,083	66,647,910	7,619,678.00
Over-$2,000,000	55	107,448	319,840,598	319,219,413	37,893,829.56
TOTAL PAY:	2,450	$ 765,175	$ 554,349,785	$549,623,043	$ 60,720,271.38
No-Pay:	1,851				
Subchapter S:	00				
GRAND TOTAL:	4,301				

TABLE 15

TOTAL CORPORATION PAY RETURNS AND TAX
BY COUNTY

County	No. of Pay Returns	% of Total	State Tax	% of Total	County	No. of Pay Returns	% of Total	State Tax	% of Total
Adair	49	.28%	$ 77,126.78	.06%	Cherokee	55	.31%	$ 79,157.86	.06%
Adams	25	.14	31,358.44	.03	Chickasaw	60	.34	182,740.10	.15
Allamakee	48	.27	109,714.72	.09	Clarke	21	.12	11,422.66	.01
Appanoose	42	.24	1,946,309.18	1.58	Clay	129	.73	268,528.36	.22
Audubon	32	.18	41,400.94	.03	Clayton	97	.55	226,496.90	.18
Benton	115	.65	185,026.94	.15	Clinton	263	1.49	597,535.78	.48
Black Hawk	640	3.62	1,682,765.72	1.37	Crawford	71	.40	112,844.54	.09
Boone	169	.95	831,999.88	.68	Dallas	147	.83	302,880.70	.25
Bremer	116	.66	320,833.66	.26	Davis	31	.18	58,500.46	.05
Buchanan	101	.57	273,866.22	.22	Decatur	22	.12	50,416.48	.04
Buena Vista	133	.75	378,178.58	.31	Delaware	74	.42	138,869.80	.11
Butler	84	.47	228,662.28	.19	Des Moines	235	1.33	376,024.80	.31
Calhoun	51	.29	110,965.32	.09	Dickinson	83	.47	125,379.68	.10
Carroll	139	.79	556,431.26	.45	Dubuque	441	2.49	3,996,257.24	3.24
Cass	108	.61	212,314.26	.17	Emmet	59	.33	133,741.08	.11
Cedar	131	.74	240,562.80	.20	Fayette	147	.83	260,672.26	.21
Cerro Gordo	273	1.54	545,018.36	.44	Floyd	113	.64	199,568.32	.16

TABLE 15 (Cont.)

TOTAL CORPORATION PAY RETURNS AND TAX
BY COUNTY

County	No. of Pay Returns	% of Total	State Tax	% of Total	County	No. of Pay Returns	% of Total	State Tax	% of Total
Franklin	88	.50%	$ 299,525.72	.24%	Johnson	415	2.35%	$ 938,510.64	.76%
Fremont	42	.24	151,126.46	.12	Jones	102	.58	181,511.78	.15
Greene	78	.44	170,874.10	.14	Keokuk	58	.33	104,255.18	.08
Grundy	109	.62	217,664.66	.18	Kossuth	91	.51	273,319.70	.22
Guthrie	50	.28	99,287.24	.08	Lee	148	.84	476,104.72	.39
Hamilton	86	.49	220,095.62	.18	Linn	893	5.05	5,444,295.14	4.42
Hancock	46	.26	136,664.80	.11	Louisa	62	.35	69,208.64	.06
Hardin	157	.89	362,091.96	.29	Lucas	37	.21	1,015,386.74	.82
Harrison	66	.37	124,323.28	.10	Lyon	65	.37	134,208.78	.11
Henry	153	.86	235,678.10	.19	Madison	48	.27	81,804.70	.07
Howard	53	.30	76,727.44	.06	Mahaska	84	.47	154,182.34	.13
Humboldt	68	.38	149,632.92	.12	Marion	173	.98	494,486.52	.40
Ida	52	.29	139,138.14	.11	Marshall	233	1.32	564,418.26	.46
Iowa	79	.45	416,288.40	.34	Mills	55	.31	62,868.38	.05
Jackson	92	.52	190,212.06	.15	Mitchell	44	.25	124,209.28	.10
Jasper	167	.94	463,638.10	.38	Monona	50	.28	108,026.24	.09
Jefferson	69	.39	112,287.02	.09	Monroe	19	.11	35,576.52	.03

TABLE 15 (Cont.)

TOTAL CORPORATION PAY RETURNS AND TAX
BY COUNTY

County	No. of Pay Returns	% of Total	State Tax	% of Total	County	No. of Pay Returns	% of Total	State Tax	% of Total
Montgomery	86	.49%	$ 195,057.40	.16%	Tama	84	.47%	$ 127,302.22	.10%
Muscatine	206	1.16	915,480.58	.74	Taylor	23	.13	33,479.82	.03
O'Brien	100	.57	175,733.30	.14	Union	60	.34	123,673.44	.10
Osceola	45	.25	91,747.78	.07	Van Buren	28	.16	24,382.58	.02
Page	82	.46	163,818.40	.13	Wapello	118	.67	278,775.64	.23
Palo Alto	77	.44	146,888.08	.12	Warren	98	.55	154,669.04	.13
Plymouth	111	.63	377,419.08	.31	Washington	136	.77	289,187.00	.23
Pocahontas	86	.49	417,941.78	.34	Wayne	22	.12	47,370.54	.04
Polk	2,159	12.20	13,727,626.26	11.14	Webster	256	1.45	702,331.34	.57
Pottawattamie	302	1.71	458,207.04	.37	Winnebago	66	.37	160,325.06	.13
Poweshiek	110	.62	241,189.84	.20	Winneshiek	87	.49	128,423.12	.10
Ringgold	14	.08	16,962.16	.01	Woodbury	501	2.83	4,585,197.22	3.72
Sac	132	.75	220,766.92	.18	Worth	32	.18	54,903.20	.04
Scott	827	4.67	5,692,132.00	4.62	Wright	81	.46	199,935.64	.16
Shelby	88	.50	201,818.22	.16	Nonresident	2,860	16.16	63,442,180.82	51.49
Sioux	154	.87	397,053.84	.32	GRAND TOTAL	17,697	100.00%	$123,219,593.38	100.00%
Story	330	1.86	706,412.08	.57					

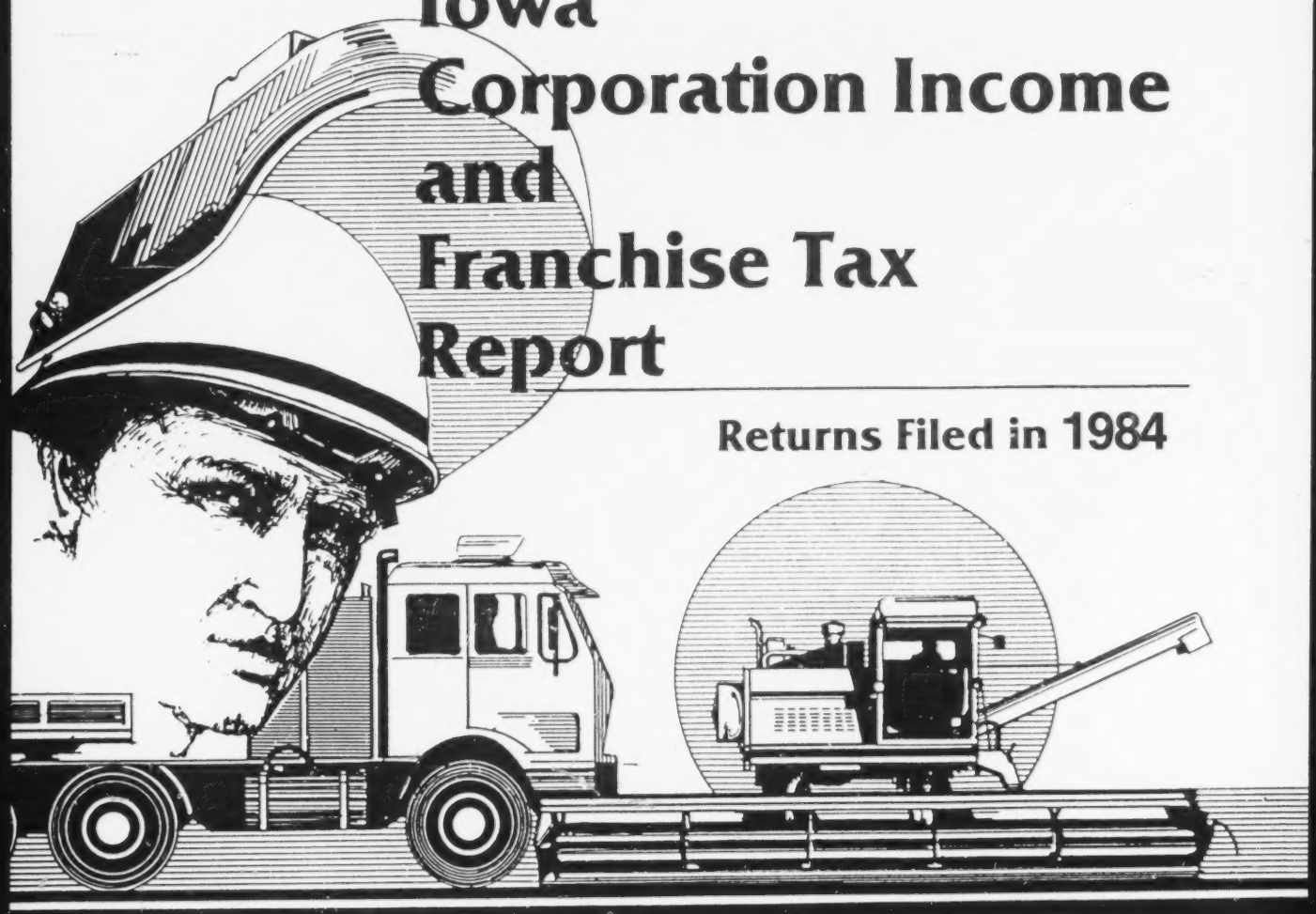
TABLE 16

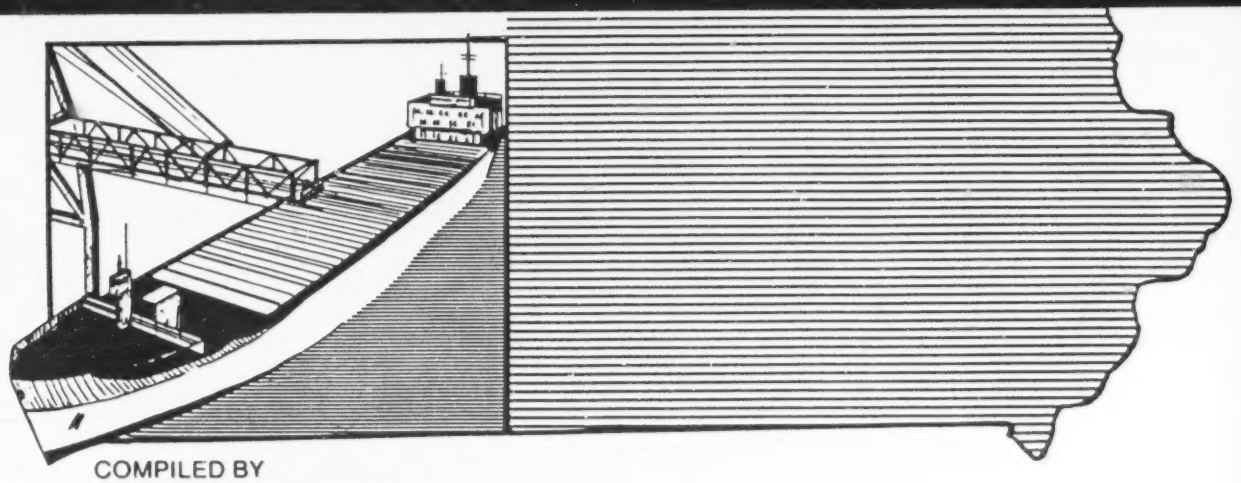
TOTAL FRANCHISE TAX PAY RETURNS AND TAX
BY TAXABLE INCOME

Taxable Income Bracket	Pay Returns	Federal Taxable Income	Interest and Dividends Exempt Federal Tax	Income Subject To Tax	State Tax
$ 0-$ 25,000	13	$ 1,033,557	$ 1,137,343	$ 123,413	$ 7,225.70
$ 25,001-$ 50,000	20	1,461,950	2,165,971	733,848	37,139.30
$ 50,001-$ 75,000	19	651,830	1,661,617	1,148,900	57,480.00
$ 75,001-$ 100,000	26	509,462	1,653,975	2,309,281	117,713.75
$ 100,001-$ 150,000	68	994,606	9,298,096	8,724,417	436,932.45
$ 150,001-$ 200,000	59	1,717,630	8,345,617	10,407,942	520,578.85
$ 200,001-$ 250,000	55	5,452,559	6,215,426	12,442,491	623,782.45
$ 250,001-$ 500,000	203	21,660,928	48,212,380	72,876,674	3,646,865.75
$ 500,001-$ 750,000	88	19,775,289	30,489,187	53,077,513	2,655,517.90
$ 750,001-$1,000,000	23	9,617,654	9,369,849	19,931,817	996,590.85
$ Over-$1,000,000	46	23,246,279	53,868,139	80,524,708	4,036,373.05
SUB TOTAL:	620	$ 77,837,858	$ 172,417,600	$ 262,301,004	$ 13,136,200.05
No-Pay:	130				
GRAND TOTAL:	750				

Iowa Corporation Income and Franchise Tax Report

Returns Filed in 1984





COMPILED BY
STATE OF IOWA
DEPARTMENT OF REVENUE
RESEARCH & MANAGEMENT SERVICES DIVISION
HOOVER STATE OFFICE BUILDING
DES MOINES 50319

TABLE OF CONTENTS

	Page
INTRODUCTION	1
IOWA CORPORATION INCOME TAX	3
Summary of Corporation Income Tax Law	5
Explanation of Terminology	6
Summary of 1984 Returns and Corporation Taxes Paid	8
Analysis of Corporate Pay Returns By Taxable Income Brackets	10
Analysis of Corporate Pay Returns By Business Class	16
Analysis By Corporate Pay Returns By County	17
IOWA FRANCHISE TAX	19
Summary of Iowa Franchise Tax Law	21
Analysis of Franchise Tax Returns Received	22
STATISTICAL APPENDIX	25
Analysis of Corporation Income Tax Returns	
Table 1: Total Corporation Returns by Business Class	27
Table 2: Resident Corporation Returns by Business Class	28
Table 3: Nonresident Corporation Returns by Business Class	29
Table 4: Total Corporation Returns by Taxable Income	30
Table 5: Resident Corporation Returns by Taxable Income	31
Table 6: Nonresident Corporation Returns by Taxable Income	32
Table 7: Total Nonapportioning Corporation Returns by Business Class	33
Table 8: Total Nonapportioning Corporation Returns by Taxable Income	34

		Page
Table 9:	Total Apportioning Corporation Returns by Business Class	35
Table 10:	Resident Apportioning Corporation Returns by Business Class	37
Table 11:	Nonresident Apportioning Corporation Returns by Business Class	39
Table 12:	Total Apportioning Corporation Returns by Taxable Income	41
Table 13:	Resident Apportioning Corporation Returns by Taxable Income	43
Table 14:	Nonresident Apportioning Corporation Returns by Taxable Income	45
Table 15:	Total Corporation Returns by County	47

Analysis of Franchise Tax

Table 16:	Total Franchise Tax Returns	50

INTRODUCTION

The 1984 report on corporation income and franchise tax consists of two major sections. The corporation income tax section contains a summary of corporate income tax law, information on tax abatements granted by the Director of Revenue, an analysis of data, and a statistical appendix of fifteen tables. Data is analyzed from the pay returns received during calendar 1984 from which tax was due. These returns are classified according to apportioning and nonapportioning corporations as well as by resident and nonresident status, and analyzed by income group, by a system of business classes and by county.

The franchise tax section is an analysis of the tax based upon income paid by financial institutions in Iowa. This section includes a summary of the franchise tax law, an analysis by taxable income brackets of pay returns received during calendar 1984, and an examination of the distribution of franchise tax receipts to the state general fund and to the general funds of the cities and counties in which the financial institutions are located.

IOWA CORPORATION

INCOME TAX

SUMMARY OF CORPORATION INCOME TAX LAW

A corporate income tax is imposed annually upon each corporation organized under the laws of this state and upon every foreign corporation doing business in this state, except certain organizations exempted from the tax under Section 422.34, Code of Iowa, such as financial institutions, insurance companies, and non-profit organizations. If a corporation conducts all of its business or trade within the state, the tax is imposed upon its entire net income. If the corporation conducts its business partly within and partly without the state, the tax is imposed only on that portion of its net income attributable to the state.

Allocation and Apportionment of Income

Net income subject to taxation in Iowa is determined as follows:

1. Allocation - Interest, dividends, rents and royalties received in connection with business in the state, shall be allocated to the state, and where received in connection with business outside the state, shall be allocated outside of the state.
2. Apportionment - The net income from the manufacture or sale of tangible personal property is apportioned to Iowa by the ratio of gross sales from goods delivered or shipped to a purchaser within the state regardless of F.O.B. point or other conditions of the sale, excluding deliveries for transportation out of the state, to the total gross sales of the corporation. Net business income from sources other than the manufacture or sale of tangible personal property is apportioned to Iowa by the ratio of the gross receipts within Iowa to the total gross receipts. Certain corporations compute their Iowa gross receipts by applying a secondary ratio, e.g. trackage, mileage, traffic units, to the total gross receipts.

Iowa Taxable Income

Iowa taxable income for income reported on these returns is defined as net income properly computed for federal income tax purposes:

1. Less interest and dividends from federal securities.
2. Less 50 percent of the federal income taxes paid or accrued during the tax year, adjusted by any federal income tax refunds received.
3. Less any net operating loss deduction computed in the same manner as for federal income tax purposes with certain Iowa adjustments.
4. Plus interest and dividends from foreign securities and from securities of state and other political subdivisions exempt from federal income tax.
5. Plus any Iowa income tax deducted in computing taxable income for federal income tax purposes.

Tax Rates

Iowa taxable income is subject to the following rates determining tax liability.

Taxable Income		Tax Rates
First	$ 25,000	6%
Next	$ 75,000	8%
Next	$150,000	10%
Over	$250,000	12%

EXPLANATION OF TERMINOLOGY

Apportioning Corporations - Corporations which do business both within and without the state are taxed by Iowa on only the net income derived from this state. Such a corporation must apportion its business income to determine the portion of income which is subject to Iowa corporate income tax.

Nonapportioning Corporations - Those corporations which do all their business or trade within the state.

Subchapter S Corporations - A Subchapter S corporation is one which elects to have the shareholders report the income and pay any tax due on their individual income tax returns rather than paying under the corporation income tax.

Pay and No Pay Returns - If a corporation has a tax liability greater than zero, it is classified as a pay return. No pay returns have zero tax liability.

Resident and Nonresident Corporations - Residency is determined by the mailing address from which the return was filed, and refers to the status of being located in the state or out of the state.

Business Class - Data in the report is grouped according to the major business activity indicated by the taxpayer. The data reported in one category may include business activity from another type of activity and therefore, should not be considered as an absolute indicator of business activity by a business class.

SUMMARY OF 1984 RETURNS AND CORPORATION TAXES PAID

During the calendar year 1984, a total of 46,089 corporation income tax returns were filed with the Department of Revenue. This represents a 1.16 percent increase in total returns over 1983. As shown on Table A, 17,432 returns had a tax liability, a decrease of -1.50 percent from the number of such returns in 1983. The number of returns with no tax liability increased by 2.52 percent to 19,241 while the number of Subchapter S returns increased by 3.52 percent to 9,416.

TABLE A
Number of Returns by Payment Status
For Residents and Nonresidents

Type of Return	Resident		Nonresident		Total	
	No. of Returns	% of Total	No. of Returns	% of Total	No. of Returns	% of Total
Pay	14,477	37.47%	2,955	39.65%	17,432	37.82%
No-Pay	15,212	39.37	4,029	54.07	19,241	41.75
Subchapter S	8,948	23.16	468	6.28	9,416	20.43
	38,637	100.00%	7,452	100.00%	46,089	100.00%

Returns filed by Iowa corporations represent 83.83 percent of all returns, while the remaining 16.17 percent of the returns were filed by out-of-state corporations. An examination of resident returns shows that pay returns, at 37.47 percent of total resident returns, and no pay returns, at 39.37 percent, are almost equal while Subchapter S returns represent the remaining 23.16 percent. However, for non-resident returns, over one half are no pay and only 6.28 percent are subchapter S. Table B illustrates the difference between the distribution of returns filed and of tax paid. While 63.64 percent of all corporations with tax liability had taxable incomes under $25,000, they paid only 4.49 percent of the tax. In comparison the 153

corporations with taxable incomes over $1,000,000 represented .88 percent of all pay returns, but paid 59.03 percent of the tax. This year, the percentage of total returns under $25,000 decreased while the proportion of returns in higher brackets has increased. This is not unexpected, given the increase in total collections.

TABLE B
Total Corporation Pay Returns
and Income Tax Paid by
Taxable Income Brackets

Taxable Income	Number of Returns	% of Total	Computed Tax	% of Total
$ 0-$ 25,000	11,094	63.64%	$ 5,563,258.38	4.49%
$ 25,000-$ 100,000	4,937	28.32	16,771,038.16	13.54
$100,000-$ 500,000	1,122	6.44	19,126,659.46	15.44
$500,000-$1,000,000	126	0.72	9,288,378.60	7.50
$1,000,000 and over	153	0.88	73,094,729.00	59.03
	17,432	100.00%	$123,844,063.60	100.00%

ANALYSIS OF CORPORATE PAY RETURNS
BY TAXABLE INCOME BRACKETS

Total Returns

For calendar year 1984, 17,432 corporation income tax returns were submitted to the Department of Revenue, reporting a state tax liability of $123.8 million, a 0.82 percent rise over the amount collected in 1983. The average tax rate for all taxable corporations decreased from 9.89 percent in 1983 to 9.88 percent in 1984.

The number of pay returns have decreased (Chart A on page 11) every year since 1980 when 19,535 returns were filed. Corporate tax receipts, at $123.8 million for calendar year 1984, have fluctuated between a low of $112.0 million in 1981 to a high of $132.4 million in 1982 during this five year period.

Analyzing the 1984 returns by their resident or nonresident status, Table C on page 12 shows that nonresidents had over 50 percent of the total tax liability. However, only 2,955 (Table A) nonresident corporations had a tax liability, compared to 14,447 (Table A) resident corporations. The average tax liability for nonresidents was $23,262 compared to $3,806 average tax liability for residents. Table C illustrates that this difference in average tax also appears in the percentage distribution of tax by income brackets for residents and nonresidents. While 38.44 percent of the resident tax due was paid by corporations with taxable income of more than $1,000,000, 75.52 percent of all tax paid by nonresidents was paid by corporations who had taxable incomes above this level. Also, only 4.35 percent of nonresident corporation taxes were paid by nonresident corporations with incomes below $100,000, while 35.10 percent of resident corporation taxes were paid by resident corporations in this category.

CHART A

COMPUTED TAX AND PERCENTAGE DISTRIBUTION OF TAX
FOR APPORTIONING AND NONAPPORTIONING RETURNS FILED 1980-1984
(Tax in Thousands)

Return Type	1980 Tax	1980 % Dist.	1981 Tax	1981 % Dist.	1982 Tax	1982 % Dist.	1983 Tax	1983 % Dist.	1984 Tax	1984 % Dist.
Apportioning	$ 80,933	65.87%	$ 74,424	66.47%	$ 96,919	73.21%	$ 91,483	74.48%	$ 89,656	72.39%
Nonapportioning	41,941	34.13	37,547	33.53	35,468	26.79	31,354	25.52	34,188	27.61
Total	$122,874	100.00%	$111,971	100.00%	$132,387	100.00%	$122,837	100.00%	$123,844	100.00%

NUMBER OF RETURNS AND PERCENTAGE DISTRIBUTION OF RETURNS
FOR APPORTIONING AND NON APPORTIONING RETURNS FILED 1980-1984

Return Type	1980 Number	1980 % Dist.	1981 Number	1981 % Dist.	1982 Number	1982 % Dist.	1983 Number	1983 % Dist.	1984 Number	1984 % Dist.
Apportioning	4,494	23.00%	4,279	22.55%	4,249	22.88%	3,925	22.18%	4,001	22.95%
Nonapportioning	15,041	77.00	14,699	77.45	14,321	77.12	13,772	77.82	13,431	77.05%
TOTAL	19,535	100.00%	18,978	100.00%	18,570	100.00%	17,697	100.00%	17,432	100.00%

TABLE C
Analysis of Pay Returns by Taxable Income Brackets
(Millions of Dollars)

Taxable Income	Resident Tax	Resident % of Total	Nonresident Tax	Nonresident % of Total	Total Tax	Total % of Total
$ 0-$ 25,000	$ 4.85	8.80	$ .71	1.03	$ 5.56	4.49
$ 25,001-$ 100,000	14.49	26.30	2.28	3.32	16.77	13.54
$100,001-$ 500,000	11.21	20.34	7.92	11.52	19.13	15.44
$500,001-$1,000,000	3.37	6.12	5.92	8.61	9.29	7.50
Over $1,000,000	21.18	38.44	51.91	75.52	73.09	59.03
	$55.10	100.00%	$68.74	100.00%	$123.84	100.00%

Apportioning and Nonapportioning Returns

An important feature of the corporate income tax structure is the method of tax payment for those corporations that earn income both in and out of the state of Iowa. Apportioning corporations are those that earn business income both within and outside of the state. They must pay Iowa income tax on the portion of their total business income that Iowa sales represent to total sales. Nonapportioning corporations are those that have no sales outside Iowa and pay Iowa corporate tax on all their Iowa net income.

An examination of Chart A, on page 11, shows that apportioning corporations were responsible for 72.39 percent of the total tax liability during calendar 1984 while nonapportioning corporations accounted for 27.61 percent of the liability. In comparison, apportioning corporations filed only 22.95 percent of the returns while nonapportioning filed 77.05 percent.

While the total number of pay returns has decreased since 1980, (Chart A), the percentage distribution of apportioning versus nonapportioning returns has remained basically the same. The percentage distribution of computed tax for apportioning

corporations has increased, however, from 65.87 percent in 1980 to 72.39 percent in 1984. At the same time the nonapportioning share of the total computed tax has decreased from 34.13 percent to 17.61 percent.

The following analysis is divided into separate sections for corporations that apportion their income and for those that do not apportion income.

Apportioning Returns

For returns filed during calendar year 1984, 4,001 corporations that had a tax liability apportioned their income (Table D). This represents 22.95 percent of the 17,432 total returns which were filed having a tax liability, up slightly from 22.18 percent in 1983. Even though these filers represent less than one quarter of the total, they had a tax liability of $89.7 million, representing 72.39 percent of the total tax liability for corporations. As an indication of the size of these companies, they paid a total of $12.9 billion in federal income tax, and had total net income, for federal purposes of $58.2 billion (before net operating loss adjustment). In comparison, the total Iowa taxable income, after net operating loss adjustment and application of the apportionment formula, is $819.0 million.

As Table D illustrates, the distribution of returns for apportioning corporations is weighted toward the lower brackets while the distribution of tax is heavily weighed toward the upper brackets. As shown, slightly more than 1 percent of the tax is paid by over 57 percent of the filers, which are in the lowest bracket, while 3 percent of the filers from the highest bracket pay over three-quarters of the tax.

TABLE D
Total Apportioning Pay Returns and Tax
By Taxable Income
(Millions of Dollars)

Taxable Income Bracket	Number of Returns	% of Returns	Computed Tax	% of Tax
$ 0-$ 25,000	2,291	57.27%	$ .97	1.08%
$ 25,000-$ 100,000	940	23.49	3.43	3.83
$100,000-$ 500,000	539	13.47	10.38	11.58
$500,000-$1,000,000	98	2.45	7.21	8.04
$1,000,000 +	133	3.32	67.66	75.47
TOTAL	4,001	100.00%	$89.65	100.00%

Because apportioning corporations are on the average larger than all corporations as a group, the distribution of returns and tax are different for this subgroup of corporations. Table E illustrates that the distribution, of returns and tax, are weighted more heavily to the upper brackets for apportioning returns than are the same percentages for total returns.

TABLE E
Comparative Percent of Returns and Tax
By Income Bracket
Total Returns and Apportioning Returns

Taxable Income Brackets	Returns		Computed Tax	
	Apportioning	Total	Apportioning	Total
$ 0-$ 25,000	57.27%	63.64%	1.08%	4.49%
$ 25,000-$ 100,000	23.49	28.32	3.83	13.54
$100,000-$ 500,000	13.47	6.44	11.58	15.44
$500,000-$1,000,000	2.45	0.72	8.04	7.50
$1,000,000 +	3.32	0.88	75.47	59.03
TOTAL	100.00%	100.00%	100.00%	100.00%

Nonapportioning Returns

Nonapportioning corporations are those corporations which conduct all their sales within the state of Iowa. On the average, nonapportioning corporations report a smaller average tax ($3,545) than apportioning corporations ($22,408) for 1984. In addition, nonapportioning corporations are much greater in number, comprising 77.05 percent of the total pay returns filed.

Table F shows that nonapportioning corporations are concentrated, in number, largely in the lower income brackets, with 65.54 percent of the corporations having taxable income of less than $25,000. This is down from 66.05 percent during the previous year. In addition, more than half of the tax liability is concentrated in the income brackets under $100,000. This is not characteristic of the apportioning corporations, and displays a great domination by small corporations, with the relative absence of large firms. Also, the percent of tax owed by corporations in the $1,000,000 and over category represent only 15.89 percent of all tax paid by nonapportioning corporations.

TABLE F
Total Nonapportioning Pay Returns and Tax
(By Taxable Income)

Taxable Income Bracket	Number of Returns	% of Returns	Computed Tax	% of Tax
$ 0-$ 25,000	8,803	65.54%	$ 4.59	13.42%
$ 25,000-$ 100,000	3,997	29.76	13.34	39.02
$100,000-$ 500,000	583	4.34	8.75	25.59
$500,000-$1,000,000	28	0.21	2.08	6.08
$1,000,000 +	20	0.15	5.43	15.89
TOTAL	13,431	100.00%	$34.19	100.00%

ANALYSIS OF CORPORATE PAY RETURNS BY BUSINESS CLASS

Total Returns

Table 1 in the Statistical Appendix presents data for the total corporation pay returns by business class. Manufacturers had the largest tax liability of all business classes paying $36.9 million in state tax. Utilities are next with $35.0 million in tax paid, retailers third with $14.8 million, and wholesalers fourth with $9.8 million.

Nonapportioning Returns

Among nonapportioning corporations, as shown on Table 7, a different mix of businesses has the largest tax liability. Retailers are the largest group, with $6.4 million in tax liability, followed by Services with $5.4 million, and Agriculture with $5.1 million. Nonapportioning returns consists primarily of resident filers, with only 3.1 percent being nonresidents.

Apportioning Returns

Tables 9, 10, and 11 display income and tax information for resident, nonresident and total apportioning returns. Comparison of these tables shows that the largest corporations doing business in Iowa are nonresident apportioning corporations.

Among apportioning corporations, manufacturers are by far the largest business class, both in numbers of corporations and in tax paid. Manufacturers filed 1,097 returns and paid $33.4 million in tax or 37.30 percent of all tax from apportioning corporations. Utilities paid $32.1 million in tax, while retailers paid $8.4 million in tax.

ANALYSIS OF CORPORATE PAY RETURNS BY COUNTY

For the purpose of this report, the county of residence of a corporation is determined by the mailing address from which the corporation income tax return is filed. Inherently, this procedure cannot determine the total amount of corporate activity in any one county. Many corporations have headquarters outside the state, and thus are considered to be nonresident, even though they may have extensive facilities within the state. Other corporations may have several locations within the state, but have all tax liability categorized in the county in which the headquarters are domiciled. Additionally, a number of corporations give as their mailing address the location of the firm or individual doing their tax preparation.

According to this method of categorizing businesses, nonresident corporations owed 55.46 percent of the total tax. Among resident returns, Polk County had 12.32 percent of all returns and 11.26 percent of all tax liability. Linn County had 4.82 percent of total returns, with 2.55 percent of total tax liability. Scott County had 4.66 percent of returns and 2.74 percent of tax. Black Hawk County had the next largest amount with 3.51 percent of returns and 1.52 percent of taxes paid. A complete listing of activity by county is given on Table 15 of the Statistical Appendix.

IOWA FRANCHISE

TAX

SUMMARY OF THE IOWA FRANCHISE TAX LAW

Taxable Institutions

Since 1971, financial institutions have been subject to a franchise tax measured by income. The franchise tax is measured by the amount of net income, and is imposed by the State of Iowa on financial institutions for the privilege of doing business in the state. A financial institution is defined as a state bank or a national banking association having its principal office within this state, a trust company, a federally chartered savings and loan association, a financial institution chartered by the federal home loan bank board, a production credit association, or a savings and loan association incorporated or authorized to do business under Iowa law.

Taxable Income

For tax years beginning on or after January 1, 1980, these organizations must pay a franchise tax on their net income, the same as computed for Iowa corporate income tax purposes (see page 5) with the following adjustments.

1. A deduction is not allowed for interest and dividends on federal securities.
2. A deduction is not allowed for federal income taxes paid or accrued during the tax year.

Tax Rate

The taxable income, as computed above, is subject to a rate of five percent on all income.

Allocation of Revenue

Franchise tax net receipts act as both a state and a local revenue source. On a quarterly basis, 55 percent of franchise tax receipts are deposited in the state general fund. The remaining 45 percent of the receipts are distributed back to the cities and counties in which the financial institutions are located. For any given financial institution, 60 percent of the remaining 45 percent of its annual tax is distributed to the general fund of the city in which it is located and 40 percent is distributed to the general fund of the county in which it is located. For financial institutions with branch locations, the amount of tax distributed to the cities and counties in which the branches are located is based upon the percent of total business generated by that particular branch compared to the total business of the financial institution.

ANALYSIS OF FRANCHISE TAX RETURNS RECEIVED

During calendar year 1984, a total of 731 franchise tax returns were received by the Department of Revenue. This is a decrease of 19 returns from the previous year. Of the returns received in 1984, 589 had a total taxable income of $280.6 million, an increase of 6.96 percent from that reported on returns received in 1983. Computed tax increased from $13.1 million in 1983 to $14.1 million in 1984.

Table G shows the distribution of pay returns and computed tax by income brackets. As expected, the majority of tax is paid by a minority of filers in the higher income brackets. Filers with taxable income over $500,000 represented 25.47 percent of all filers, but paid 63.10 percent of the tax. At the same time, filers with under

$500,000 taxable income represented 74.53 percent of all filers, but paid only 36.90 percent of the total tax. Table 16 of the Statistical Appendix shows more complete data on these financial institutions.

TABLE G
Number of Franchise Tax Returns and Computed Tax
By Taxable Income Brackets

Taxable Income Brackets	Number of Returns	Percent Dist.	Computed Tax	Percent Dist.
$ 0-$ 25,000	15	2.55%	$ 10,904.00	.08%
$ 25,001-$ 50,000	20	3.39	41,770.60	.30
$ 50,001-$ 75,000	22	3.74	73,304.50	.52
$ 75,001-$ 100,000	28	4.75	120,243.55	.85
$100,001-$ 150,000	42	7.13	281,099.25	1.99
$150,001-$ 200,000	55	9.34	487,716.40	3.45
$200,001-$ 250,000	68	11.54	771,762.60	5.46
$250,001-$ 500,000	189	32.09	3,425,357.75	24.25
$500,001-$ 750,000	68	11.55	2,095,311.55	14.84
$750,001-$1,000,000	39	6.62	1,668,726.75	11.81
Over-$1,000,000	43	7.30	5,148,715.05	36.45
	589	100.00%	$14,124,912.00	100.00%

Also notable is the fact that the income subject to tax in Iowa is much greater than the federal taxable income. The 589 financial institutions with taxable income reported federal taxable income of $93.4 million for an average of $158,584, while they reported Iowa taxable income of $280.6 million, for an average of $476,325, which is 200.36 percent larger than federal taxable income. The difference in the tax base occurs largely because of the inclusion, for state tax purposes, of income from foreign, state and local securities which are exempt from federal tax.

Distribution of Franchise Tax on a Quarterly Basis

As was explained in the previous section on the summary of tax law, franchise tax receipts are distributed on a quarterly basis. Based on this distribution formula,

during calendar year 1984, $6.8 million was allocated to the state general fund, $3.5 million was allocated to the various city general funds, and $2.4 million was distributed to the various county general funds. The total money distributed during the year was $12,703,033.53. This figure varies somewhat from the computed tax figure quoted previously in the report. This is due to the fact that receipts are distributed on a net payments basis. Net payments reflect the amount of money actually received by the Department during the year. Thus, refunds owed to taxpayers and additional payments due may not be reflected in the net payments figure for the year, causing this total to be at variance with the computed tax due.

STATISTICAL

APPENDIX

TOTAL

TABLE 1

TOTAL CORPORATION PAY RETURNS AND TAX
BY BUSINESS CLASS

Business Class	Pay Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net	Income Subject To Tax	State Tax
Agriculture	2,703	$ 173,584,527	$ 19,532,051	$ 160,423,499	$ 90,060,485	$ 6,934,640.12
Mining	54	1,147,881,490	82,091,548	1,102,457,251	9,240,475	943,364.04
Construction	1,244	900,839,779	116,239,837	948,515,827	42,264,101	3,518,026.92
Manufacturing	1,642	38,841,248,075	3,976,982,146	36,310,200,063	342,456,831	36,947,131.82
Utilities and Transportation	801	5,189,226,278	536,949,082	4,671,110,245	306,304,288	35,033,820.20
Wholesale Trade	1,767	3,536,195,388	545,051,665	3,040,006,796	110,250,873	9,806,612.90
Retail Trade	3,191	3,910,333,056	673,880,887	3,237,593,965	163,599,964	14,821,162.14
Finance	2,334	2,840,369,663	338,149,737	2,513,254,960	78,542,314	6,735,219.48
Services	3,614	1,797,471,014	189,044,871	1,854,369,510	108,702,191	8,936,486.82
Miscellaneous	82	336,611,740	4,747,470	332,369,414	2,090,183	167,599.16
TOTAL PAY:	17,432	$58,673,761,010	$6,482,669,294	$54,170,301,530	$1,253,511,705	$123,844,063.60
No-Pay:	19,241					
Subchapter S:	9,416					
GRAND TOTAL:	46,089					

TABLE 2

RESIDENT CORPORATION PAY RETURNS AND TAX
BY BUSINESS CLASS

Business Class	Pay Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net	Income Subject To Tax	State Tax
Agriculture	2,580	$ 153,173,481	$ 18,763,474	$ 140,247,212	$ 86,175,924	$ 6,628,318.32
Mining	37	9,832,016	1,532,845	9,711,446	4,673,346	452,201.98
Construction	990	49,320,586	5,251,993	46,722,620	36,625,892	3,034,014.94
Manufacturing	937	551,934,333	104,883,381	463,629,651	78,520,559	7,682,740.40
Utilities and Transportation	556	163,803,545	23,060,598	155,780,475	131,491,035	14,665,051.14
Wholesale Trade	1,348	85,603,172	9,469,958	80,622,146	62,009,907	4,825,012.24
Retail Trade	2,756	124,810,691	14,962,420	117,207,969	100,870,672	8,304,216.26
Finance	2,064	67,878,780	7,093,242	65,638,292	53,968,548	4,255,013.12
Services	3,147	91,270,810	7,369,693	88,229,374	71,047,316	5,181,322.58
Miscellaneous	62	1,652,491	36,692	1,658,428	1,120,982	78,385.28
TOTAL PAY	14,477	$ 1,299,279,905	$ 192,424,296	$ 1,169,447,613	$ 626,50[illegible],181	$ 55,106,276.26
No-Pay:	15,212					
Subchapter S:	8,948					
GRAND TOTAL:	38,637					

TABLE 3

NONRESIDENT CORPORATION PAY RETURNS AND TAX
BY BUSINESS CLASS

Business Class	Pay Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net	Income Subject To Tax	State Tax
Agriculture	123	$ 20,411,046	$ 768,577	$ 20,176,287	$ 3,884,561	$ 306,321.80
Mining	17	1,138,049,474	80,558,703	1,092,745,805	4,567,129	491,162.06
Construction	254	851,519,193	110,987,844	901,793,207	5,638,209	484,011.98
Manufacturing	705	38,289,313,742	3,872,098,765	35,846,570,412	263,936,272	29,264,391.42
Utilities and Transportation	245	5,025,422,733	513,888,484	4,515,329,770	174,813,253	20,368,769.06
Wholesale Trade	419	3,450,592,216	535,581,707	2,959,384,650	48,240,966	4,981,600.66
Retail Trade	435	3,785,522,365	658,918,467	3,120,385,996	62,729,292	6,516,945.88
Finance	270	2,772,490,883	331,056,495	2,447,616,668	24,573,766	2,480,206.36
Services	467	1,706,200,204	181,675,178	1,766,140,136	37,654,875	3,755,164.24
Miscellaneous	20	334,959,249	4,710,778	330,710,986	969,201	89,213.88
TOTAL PAY:	2,955	$57,374,481,105	$6,290,244,998	$53,000,853,917	$ 627,007,524	$ 68,737,787.34
No-Pay:	4,029					
Subchapter S:	468					
GRAND TOTAL:	7,452					

TABLE 4

TOTAL CORPORATION PAY RETURNS AND TAX
BY TAXABLE INCOME

Taxable Income Bracket	Pay Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net	Income Subject To Tax	State Tax
$ 0-$ 25,000	11,094	$ 3,000,025,948	$ 290,257,605	$ 2,728,647,855	$ 92,720,973	$ 5,563,258.38
$ 25,001-$ 50,000	3,001	1,540,051,950	145,644,361	1,373,496,833	108,708,880	7,196,210.40
$ 50,001-$ 75,000	1,359	1,985,519,120	245,427,867	1,698,698,184	82,217,346	5,897,887.68
$ 75,001-$ 100,000	577	1,599,251,122	125,151,339	1,422,216,334	49,568,001	3,676,940.08
$ 100,001-$ 150,000	521	1,573,898,560	210,847,510	1,475,658,770	62,576,289	4,955,128.90
$ 150,001-$ 200,000	222	1,431,225,042	186,197,658	1,211,865,205	38,085,148	3,253,514.80
$ 200,001-$ 250,000	114	166,138,881	116,832,003	892,720,988	25,112,004	2,226,200.40
$ 250,001-$ 300,000	101	1,150,139,261	153,655,790	1,050,553,780	27,330,837	2,521,353.92
$ 300,001-$ 400,000	109	2,034,700,610	386,675,439	2,134,198,176	37,220,670	3,648,980.40
$ 400,001-$ 500,000	55	1,742,871,935	223,413,372	1,607,734,184	24,449,842	2,521,481.04
$ 500,001-$ 750,000	91	6,056,113,766	552,268,116	5,731,481,846	54,818,787	5,886,355.92
$ 750,001-$1,000,000	35	1,414,160,541	191,732,309	1,241,637,841	30,537,689	3,402,022.68
$1,000,001-$2,000,000	74	10,420,818,003	879,745,439	9,923,928,928	104,860,376	11,928,286.60
$ Over-$2,000,000	79	24,558,846,271	2,774,820,486	21,677,462,606	515,304,863	61,166,442.40
TOTAL PAY:	17,432	$58,673,761,010	$ 6,482,669,294	$54,170,301,530	$ 1,253,511,705	$123,844,063.60
No-Pay:	19,241					
Subchapter S:	9,416					
GRAND TOTAL:	46,089					TOTAL

TABLE 5

RESIDENT CORPORATION PAY RETURNS AND TAX
BY TAXABLE INCOME

Taxable Income Bracket	Pay Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net	Income Subject To Tax	State Tax
$ 0-$ 25,000	9,367	$ 143,795,514	$ 12,337,809	$ 135,816,600	$ 80,955,913	$ 4,857,354.78
$ 25,001-$ 50,000	2,663	128,507,838	10,770,312	122,911,892	96,450,732	6,384,558.56
$ 50,001-$ 75,000	1,177	91,406,066	8,590,418	86,898,537	70,836,267	5,078,401.36
$ 75,001-$ 100,000	477	60,548,599	7,454,986	55,385,510	40,875,361	3,031,528.88
$ 100,001-$ 150,000	366	60,925,319	7,643,422	56,561,991	43,550,438	3,440,043.80
$ 150,001-$ 200,000	139	61,586,273	9,782,730	53,828,657	23,882,193	2,040,719.30
$ 200,001-$ 250,000	68	30,615,703	3,919,869	27,900,214	15,036,183	1,333,618.30
$ 250,001-$ 300,000	57	26,595,223	4,177,390	24,594,632	15,425,919	1,423,610.28
$ 300,001-$ 400,000	55	54,178,757	10,737,636	45,139,848	18,554,921	1,814,090.52
$ 400,001-$ 500,000	25	66,184,763	12,375,109	64,645,108	11,220,718	1,158,986.16
$ 500,001-$ 750,000	34	76,872,321	15,466,003	63,210,254	20,196,125	2,168,535.00
$ 750,001-$1,000,000	12	70,906,515	13,746,173	49,899,246	10,747,690	1,199,722.80
$1,000,001-$2,000,000	18	148,244,485	28,039,349	123,335,230	24,067,887	2,753,146.44
Over-$2,000,000	19	278,912,529	47,383,090	259,319,894	154,703,834	18,421,960.08
TOTAL PAY:	14,477	$ 1,299,279,905	$ 192,424,296	$ 1,169,447,613	$ 626,504,181	$ 55,106,276.26
No-Pay:	15,212					
Subchapter S:	8,948					
GRAND TOTAL:	38,637					

TABLE 6

NONRESIDENT CORPORATION PAY RETURNS AND TAX
BY TAXABLE INCOME

Taxable Income Bracket	Pay Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net	Income Subject To Tax	State Tax
$ 0-$ 25,000	1,727	$ 2,856,230,434	$ 277,919,796	$ 2,592,831,255	$ 11,765,060	$ 705,903.60
$ 25,001-$ 50,000	338	1,411,544,112	134,874,049	1,250,584,941	12,258,148	811,651.84
$ 50,001-$ 75,000	182	1,894,113,054	236,837,449	1,611,799,647	11,381,079	819,486.32
$ 75,001-$ 100,000	100	1,538702,523	117,696,353	1,366,830,824	8,692,640	645,411.20
$ 100,001-$ 150,000	155	1,512,973,241	203,204,088	1,419,096,779	19,025,851	1,515,085.10
$ 150,001-$ 200,000	83	1,369,638,769	176,414,928	1,158,036,548	14,202,955	1,212,795.50
$ 200,001-$ 250,000	46	135,523,178	112,912,134	864,820,774	10,075,821	892,582.10
$ 250,001-$ 300,000	44	1,123,544,038	149,478,400	1,025,959,148	11,904,918	1,097,743.64
$ 300,001-$ 400,000	54	1,980,521,853	375,937,803	2,089,058,328	18,665,749	1,834,889.88
$ 400,001-$ 500,000	30	1,676,687,172	211,038,263	1,543,089,076	13,229,124	1,362,494.88
$ 500,001-$ 750,000	57	5,979,241,445	536,802,113	5,668,271,592	34,622,662	3,717,820.92
$ 750,001-$1,000,000	23	1,343,254,026	177,986,136	1,191,738,595	19,789,999	2,202,299.88
$1,000,001-$2,000,000	56	10,272,573,518	851,706,090	9,800,593,698	80,792,489	9,175,140.16
Over-$2,000,000	60	24,279,933,742	2,727,437,396	21,418,142,712	360,601,029	42,744,482.32
TOTAL PAY:	2,955	$ 57,374,481,105	$6,290,244,998	$53,000,853,917	$ 627,007,524	$ 68,737,787.34
No-Pay:	4,029					
Subchapter S:	468					
GRAND TOTAL:	7,452					

TABLE 7

TOTAL NONAPPORTIONING CORPORATION PAY RETURNS AND TAX
BY BUSINESS CLASS

Business Class	Pay Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net	Income Subject To Tax	State Tax
Agriculture	2,575	$ 78,063,612	$ 5,422,406	$ 77,474,734	$ 73,150,683	$ 5,109,830.08
Mining	30	2,882,964	382,719	2,808,361	2,782,871	251,153.44
Construction	896	32,453,460	2,838,663	31,668,776	29,684,823	2,385,140.30
Manufacturing	545	43,173,626	6,730,561	36,972,020	37,044,739	3,503,739.40
Utilities and Transportation	474	34,144,339	4,079,255	32,426,315	31,936,850	2,902,115.28
Wholesale Trade	1,091	49,937,068	4,096,112	49,347,644	46,931,277	3,550,696.74
Retail Trade	2,657	89,598,979	8,717,821	86,138,480	83,549,251	6,427,176.36
Finance	2,070	64,873,697	6,229,909	63,793,719	56,547,738	4,600,317.42
Services	3,031	76,841,347	6,169,937	74,818,304	71,715,314	5,379,157.70
Miscellaneous	62	1,124,826	49,948	1,121,560	1,121,560	78,794.52
TOTAL PAY:	13,431	$ 473,093,918	$ 44,717,331	$ 456,569,913	$ 434,465,106	$ 34,188,121.24
No-Pay:	16,377					
Subchapter S:	9,416					
GRAND TOTAL:	39,224					

TABLE 8

TOTAL NONAPPORTIONING CORPORATION PAY RETURNS AND TAX
BY TAXABLE INCOME

Taxable Income Bracket	Pay Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net	Income Subject To Tax	State Tax
$ 0-$ 25,000	8,803	$ 86,668,163	$ 4,895,580	$ 86,220,262	$ 76,490,271	$ 4,589,416.26
$ 25,001-$ 50,000	2,473	95,656,193	6,458,743	92,813,954	89,370,996	5,913,179.68
$ 50,001-$ 75,000	1,106	72,003,823	4,956,890	71,180,348	66,599,976	4,774,998.08
$ 75,001-$ 100,000	418	37,268,927	3,428,026	36,520,396	35,800,671	2,655,053.68
$ 100,001-$ 150,000	328	42,261,050	4,242,609	40,873,674	39,155,805	3,095,580.50
$ 150,001-$ 200,000	105	19,234,671	2,466,084	18,368,124	18,025,203	1,540,020.30
$ 200,001-$ 250,000	52	13,241,576	1,735,616	12,377,147	11,419,541	1,011,954.10
$ 250,001-$ 300,000	43	12,414,866	1,747,487	11,789,663	11,592,277	1,068,573.24
$ 300,001-$ 400,000	40	14,859,876	2,222,180	13,783,116	13,625,802	1,335,096.24
$ 400,001-$ 500,000	15	7,370,000	1,101,607	6,922,983	6,731,796	695,315.52
$ 500,001-$ 750,000	19	12,538,968	2,231,750	11,381,278	11,381,278	1,213,854.84
$ 750,001-$1,000,000	9	8,262,977	1,207,999	7,770,809	7,755,632	863,175.84
$1,000,001-$2,000,000	9	12,758,033	2,152,226	12,180,729	12,180,729	1,394,187.48
$ Over-$2,000,000	11	38,554,795	5,870,534	34,387,430	34,335,129	4,037,715.48
TOTAL PAY:	13,431	$ 473,093,918	$ 44,717,331	$ 456,569,913	$ 434,465,106	$ 34,188,121.24
No-Pay:	16,377					
Subchapter S:	9,416					
GRAND TOTAL:	39,224					

TABLE 9

TOTAL APPORTIONING CORPORATION PAY RETURNS AND TAX
BY BUSINESS CLASS

Business Class	Number of Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net Income	Total Non-Business Income
Agriculture	128	$ 95,520,915	$ 14,109,645	$ 82,948,765	$ 1,549,564
Mining	24	1,144,998,526	81,708,829	1,099,648,890	1,358,284
Construction	348	868,386,319	113,401,174	916,847,051	95,474,011
Manufacturing	1,097	38,798,074,449	3,970,251,585	36,273,228,043	5,738,515,062
Utilities and Transportation	327	5,155,081,939	532,869,827	4,638,683,930	83,731,543
Wholesale Trade	676	3,486,258,320	540,955,553	2,990,659,152	214,175,993
Retail Trade	534	3,820,734,077	665,163,066	3,151,455,485	94,536,290
Finance	264	2,775,495,966	331,919,828	2,449,461,241	213,279,519
Services	583	1,720,629,667	182,874,934	1,779,551,206	58,572,122
Miscellaneous	20	335,486,914	4,697,522	331,247,854	112,018
TOTAL PAY:	4,001	$58,200,667,092	$ 6,437,951,963	$53,713,731,617	$ 6,501,304,406
No-Pay:	2,864				
Subchapter S:	00				
GRAND TOTAL:	6,865				

TABLE 9 (Cont.)

TOTAL APPORTIONING CORPORATION PAY RETURNS AND TAX
BY BUSINESS CLASS

Business Class	Number of Returns	Non-Business Income Assigned to Iowa	Income Apportioned to Iowa	Income Subject To Tax	State Tax
Agriculture	128	$ 673,746	$ 16,545,605	$ 16,909,802	$ 1,824,810.04
Mining	24	1,321	6,586,956	6,457,604	692,210.60
Construction	348	52,800	13,742,790	12,579,278	1,132,886.62
Manufacturing	1,097	1,358,736	310,743,870	305,412,092	33,443,392.42
Utilities and Transportation	327	353,153	275,236,551	274,367,438	32,131,704.92
Wholesale Trade	676	295,818	64,176,503	63,319,596	6,255,916.16
Retail Trade	534	317,362	81,870,202	80,050,713	8,393,985.78
Finance	264	729,922	21,786,063	21,994,576	2,134,902.06
Services	583	345,681	37,602,411	36,986,877	3,557,329.12
Miscellaneous	20	28,409	940,214	968,623	88,804.64
TOTAL PAY:	4,001	$ 4,156,948	$ 829,231,165	$ 819,046,599	$ 89,655,942.36
No-Pay:	2,864				
Subchapter S:	00				
GRAND TOTAL:	6,865				

TABLE 10

RESIDENT APPORTIONING CORPORATION PAY RETURNS AND TAX
BY BUSINESS CLASS

Business Class	Number of Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net Income	Total Non-Business Income
Agriculture	78	$ 76,750,271	$ 13,473,164	$ 64,377,571	$ 626,128
Mining	9	7,037,328	1,153,902	6,988,901	1,321
Construction	105	16,612,276	2,428,228	14,801,500	150,487
Manufacturing	418	519,474,564	100,004,057	433,886,193	1,820,115
Utilities and Transportation	93	134,102,827	19,869,546	126,934,992	465,650
Wholesale Trade	279	38,356,004	5,713,797	33,838,001	392,426
Retail Trade	219	44,379,629	6,955,202	39,984,299	270,959
Finance	74	15,529,743	1,666,530	14,080,064	850,836
Services	189	22,234,517	1,817,086	20,834,475	391,264
Miscellaneous	4	655,652	7,063	652,670	28,409
TOTAL PAY:	1,468	$ 875,132,811	$ 153,088,575	$ 756,378,666	$ 4,997,595
No Pay:	945				
Subchapter S:	00				
GRAND TOTAL:	2,413				

TABLE 10 (Cont.)

RESIDENT APPORTIONING CORPORATION PAY RETURNS AND TAX
BY BUSINESS CLASS

Business Class	Number of Returns	Non-Business Income Assigned to Iowa	Income Apportioned to Iowa	Income Subject To Tax	State Tax
Agriculture	78	$ 619,721	$ 14,126,357	$ 14,590,776	$ 1,622,632.32
Mining	9	1,321	2,039,952	1,976,291	206,913.82
Construction	105	36,173	8,002,408	7,161,363	663,210.86
Manufacturing	418	1,079,159	48,867,749	49,592,826	5,062,033.74
Utilities and Transportation	93	342,371	103,288,894	103,128,783	12,146,098.14
Wholesale Trade	279	242,474	16,533,723	16,479,259	1,394,002.16
Retail Trade	219	112,426	26,495,609	26,120,893	2,689,234.26
Finance	74	315,634	6,513,510	6,537,426	595,419.84
Services	189	110,795	6,701,832	6,711,324	523,244.20
Miscellaneous	4	28,409	86,815	115,224	7,625.66
TOTAL PAY:	1,468	$ 2,888,483	$ 232,656,849	$ 232,414,165	$ 24,910,415.00
No-Pay:	945				
Subchapter S:	00				
GRAND TOTAL:	2,413				

TABLE 11

NONRESIDENT APPORTIONING CORPORATION PAY RETURNS AND TAX
BY BUSINESS CLASS

Business Class	Number of Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net Income	Total Non-Business Income
Agriculture	50	$ 18,770,644	$ 636,481	$ 18,571,194	$ 923,436
Mining	15	1,137,961,198	80,554,927	1,092,659,989	1,356,963
Construction	243	851,774,043	110,972,946	902,045,551	95,323,524
Manufacturing	679	38,278,599,885	3,870,247,528	35,839,341,850	5,736,694,947
Utilities and Transportation	234	5,020,979,112	513,000,281	4,511,748,938	83,265,893
Wholesale Trade	397	3,447,902,316	535,241,756	2,956,821,151	213,783,567
Retail Trade	315	3,776,354,448	658,207,864	3,111,471,186	94,265,331
Finance	190	2,759,966,223	330,253,298	2,435,381,177	212,428,683
Services	394	1,698,395,150	181,057,848	1,758,716,731	58,180,858
Miscellaneous	16	334,831,262	4,690,459	330,595,184	83,609
TOTAL PAY:	2,533	$ 57,325,534,281	$ 6,284,863,388	$52,957,352,951	$ 6,496,306,811
No-Pay:	1,919				
Subchapter S:	00				
GRAND TOTAL:	4,452				

TABLE 11 (Cont.)

NONRESIDENT APPORTIONING CORPORATION PAY RETURNS AND TAX
BY BUSINESS CLASS

Business Class	Number of Returns	Non-Business Income Assigned to Iowa	Income Apportioned to Iowa	Income Subject To Tax	State Tax
Agriculture	50	$ 54,025	$ 2,419,248	$ 2,319,026	$ 202,177.72
Mining	15	0	4,547,004	4,481,313	485,296.78
Construction	243	16,627	5,740,382	5,417,915	469,675.76
Manufacturing	679	279,577	261,876,121	255,819,266	28,381,358.68
Utilities and Transportation	234	10,782	171,947,657	171,238,655	19,985,606.78
Wholesale Trade	397	53,344	47,642,780	46,840,337	4,861,914.00
Retail Trade	315	204,936	55,374,593	53,929,820	5,704,751.52
Finance	190	414,288	15,272,553	15,457,150	1,539,482.22
Services	394	234,886	30,900,579	30,275,553	3,034,084.92
Miscellaneous	16	0	853,399	853,399	81,178.98
TOTAL PAY:	2,533	$ 1,268,465	$ 596,574,316	$ 586,632,434	$ 64,745,527.36
No-Pay:	1,919				
Subchapter S:	00				
GRAND TOTAL:	4,452				

TABLE 12

TOTAL APPORTIONING CORPORATION PAY RETURNS AND TAX
BY TAXABLE INCOME

Taxable Income Bracket	Number of Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net Income	Total Non-Business Income
$ 0-$ 25,000	2,291	$ 2,913,357,785	$ 285,362,025	$ 2,642,427,593	$ 383,852,127
$ 25,001-$ 50,000	528	1,444,395,757	139,185,618	1,280,682,879	261,645,547
$ 50,001-$ 75,000	253	1,913,515,297	240,470,977	1,627,517,836	141,088,860
$ 75,001-$ 100,000	159	1,561,982,195	121,723,313	1,385,695,938	114,062,783
$ 100,001-$ 150,000	193	1,531,637,510	206,604,901	1,434,785,096	213,850,121
$ 150,001-$ 200,000	117	1,411,990,371	183,731,574	1,193,497,081	142,969,263
$ 200,001-$ 250,000	62	152,897,305	115,096,387	880,343,841	146,260,466
$ 250,001-$ 300,000	58	1,137,724,395	151,908,303	1,038,764,117	175,318,865
$ 300,001-$ 400,000	69	2,019,840,734	384,453,259	2,120,415,060	334,692,166
$ 400,001-$ 500,000	40	1,735,501,935	222,311,765	1,600,811,201	96,994,991
$ 500,001-$ 750,000	72	6,043,574,798	550,036,366	5,720,100,568	989,991,385
$ 750,001-$1,000,000	26	1,405,897,564	190,524,310	1,233,867,032	55,819,562
$1,000,001-$2,000,000	65	10,408,059,970	877,593,213	9,911,748,199	1,118,096,823
Over-$2,000,000	58	24,520,291,476	2,768,949,952	21,643,075,176	2,326,661,447
TOTAL PAY:	4,001	$ 58,200,667,092	$ 6,437,951,963	$53,713,731,617	$ 6,501,304,406
No-Pay:	2,864				
Subchapter S:	00				
GRAND TOTAL:	6,865				

TABLE 12 (Cont.)

TOTAL APPORTIONING CORPORATION PAY RETURNS AND TAX
BY TAXABLE INCOME

Taxable Income Bracket	Number of Returns	Non-Business Income Assigned to Iowa	Income Apportioned to Iowa	Income Subject To Tax	State Tax
$ 0-$ 25,000	2,291	$ 314,999	$ 21,284,601	$ 16,230,702	$ 973,842.12
$ 25,001-$ 50,000	528	332,225	20,652,322	19,337,884	1,283,030.72
$ 50,001-$ 75,000	253	177,686	15,898,980	15,617,370	1,122,889.60
$ 75,001-$ 100,000	159	320,422	14,528,786	13,767,330	1,021,886.40
$ 100,001-$ 150,000	193	358,756	23,725,745	23,420,484	1,859,548.40
$ 150,001-$ 200,000	117	328,709	20,409,168	20,059,945	1,713,494.50
$ 200,001-$ 250,000	62	130,087	14,506,582	13,692,463	1,214,246.30
$ 250,001-$ 300,000	58	0	15,808,491	15,738,560	1,452,780.68
$ 300,001-$ 400,000	69	1,185,303	22,653,192	23,594,868	2,313,884.16
$ 400,001-$ 500,000	40	74,974	17,803,968	17,718,046	1,826,165.52
$ 500,001-$ 750,000	72	689,045	44,625,495	43,437,509	4,672,501.08
$ 750,001-$1,000,000	26	26,789	22,755,268	22,782,057	2,538,846.84
$1,000,001-$2,000,000	65	758	92,949,649	92,679,647	10,534,099.12
Over-$2,000,000	68	217,195	481,628,918	480,969,734	57,128,726.92
TOTAL PAY:	4,001	$ 4,156,948	$ 829,231,165	$ 819,046,599	$ 89,655,942.36
No-Pay:	2,864				
Subchapter S:	00				
GRAND TOTAL:	6,865				

TABLE 13

RESIDENT APPORTIONING CORPORATION PAY RETURNS AND TAX
BY TAXABLE INCOME

Taxable Income Bracket	Number of Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net Income	Total Non-Business Income
$ 0-$ 25,000	796	$ 59,343,620	$ 7,725,343	$ 51,674,777	$ 965,144
$ 25,001-$ 50,000	260	38,757,222	5,366,106	32,954,381	323,407
$ 50,001-$ 75,000	116	25,226,609	4,005,664	21,377,542	178,244
$ 75,001-$ 100,000	75	24,906,479	4,250,181	20,280,148	319,716
$ 100,001-$ 150,000	62	21,744,321	3,715,863	18,667,199	554,604
$ 150,001-$ 200,000	36	42,764,259	7,390,795	35,836,241	328,709
$ 200,001-$ 250,000	22	18,873,508	2,384,860	16,954,838	204,181
$ 250,001-$ 300,000	20	15,725,847	2,573,771	14,428,196	0
$ 300,001-$ 400,000	21	41,601,431	8,794,831	33,536,652	598,680
$ 400,001-$ 500,000	13	60,209,480	11,486,361	59,039,798	81,516
$ 500,001-$ 750,000	18	66,301,381	13,457,583	53,633,512	608,439
$ 750,001-$1,000,000	7	66,042,040	12,881,701	45,479,929	0
$1,000,001-$2,000,000	9	135,486,452	25,887,123	111,154,501	720,981
Over-$2,000,000	13	258,150,162	43,168,393	241,360,952	113,974
TOTAL PAY:	1,468	$ 875,132,811	$ 153,088,575	$ 756,378,666	$ 4,997,595
No-Pay:	945				
Subchapter S:	00				
GRAND TOTAL:	2,413				

TABLE 13 (Cont.)

RESIDENT APPORTIONING CORPORATION PAY RETURNS AND TAX
BY TAXABLE INCOME

Taxable Income Bracket	Number of Returns	Non-Business Income Assigned to Iowa	Income Apportioned to Iowa	Income Subject To Tax	State Tax
$ 0-$ 25,000	796	$ 168,067	$ 7,308,003	$ 6,629,267	$ 397,756.02
$ 25,001-$ 50,000	260	303,770	9,757,936	9,663,426	643,074.08
$ 50,001-$ 75,000	116	177,686	6,965,232	7,017,733	503,418.64
$ 75,001-$ 100,000	75	286,621	6,273,759	6,489,609	481,668.72
$ 100,001-$ 150,000	62	97,476	7,334,729	7,427,910	587,791.00
$ 150,001-$ 200,000	36	328,709	6,112,946	6,232,698	533,269.80
$ 200,001-$ 250,000	22	130,087	5,361,519	4,924,295	437,429.50
$ 250,001-$ 300,000	20	0	5,519,534	5,466,309	505,957.08
$ 300,001-$ 400,000	21	598,680	6,639,966	7,109,039	695,584.68
$ 400,001-$ 500,000	13	74,974	5,840,318	5,806,595	599,291.40
$ 500,001-$ 750,000	18	608,439	10,010,944	10,619,383	1,139,325.96
$ 750,001-$1,000,000	7	0	6,343,550	6,343,550	708,726.00
$1,000,001-$2,000,000	9	0	12,142,276	11,887,158	1,358,958.96
Over-$2,000,000	13	113,974	137,046,137	136,797,193	16,318,163.16
TOTAL PAY:	1,468	$ 2,888,483	$ 232,656,849	$232,414,165	$ 24,910,415.00
No Pay:	945				
Subchapter S:	00				
GRAND TOTAL:	2,413				

TABLE 14

NONRESIDENT APPORTIONING CORPORATION PAY RETURNS AND TAX
BY TAXABLE INCOME

Taxable Income Brackets	Number of Returns	Net Income Per Federal Return	50% of Federal Income Tax	Adjusted Net Income	Total Non-Business Income
$ 0-$ 25,000	1,495	$ 2,854,014,165	$ 277,636,682	$ 2,590,752,816	$ 382,886,983
$ 25,001-$ 50,000	268	1,405,638,535	133,819,512	1,247,728,498	261,322,140
$ 50,001-$ 75,000	137	1,888,288,688	236,465,313	1,606,140,294	140,910,616
$ 75,001-$ 100,000	84	1,537,075,716	117,473,132	1,365,415,790	113,743,067
$ 100,001-$ 150,000	131	1,509,893,189	202,889,038	1,416,117,897	213,295,517
$ 150,001-$ 200,000	81	1,369,226,112	176,340,779	1,157,660,840	142,640,554
$ 200,001-$ 250,000	40	134,023,797	112,711,527	863,389,003	146,056,285
$ 250,001-$ 300,000	38	1,121,998,548	149,334,532	1,024,335,921	175,318,865
$ 300,001-$ 400,000	48	1,978,239,303	375,658,428	2,086,878,408	334,093,486
$ 400,001-$ 500,000	27	1,675,292,455	210,825,404	1,541,771,403	96,913,475
$ 500,001-$ 750,000	54	5,977,273,417	536,578,783	5,666,467,056	989,382,946
$ 750,001-$1,000,000	19	1,339,855,524	177,642,609	1,188,387,103	55,819,562
$1,000,001-$2,000,000	56	10,272,573,518	851,706,090	9,800,593,698	1,117,375,842
Over-$2,000,000	55	24,262,141,314	2,725,781,559	21,401,714,224	2,326,547,473
TOTAL PAY:	2,533	$ 57,325,534,281	$6,284,863,388	$52,957,352,951	$6,496,306,811
No-Pay:	1,919				
Subchapter S:	00				
GRAND TOTAL:	4,452				

TABLE 14 (Cont.)

NONRESIDENT APPORTIONING CORPORATION PAY RETURNS AND TAX
BY TAXABLE INCOME

Taxable Income Brackets	Number of Returns	Non-Business Income Assigned to Iowa	Income Apportioned to Iowa	Income Subject To Tax	State Tax
$ 0-$ 25,000	1,495	$ 146,932	$ 13,976,598	$ 9,601,435	$ 576,086.10
$ 25,001-$ 50,000	268	28,455	10,894,386	9,674,458	639,956.64
$ 50,001-$ 75,000	137	0	8,933,748	8,599,637	619,470.96
$ 75,001-$ 100,000	84	33,801	8,255,027	7,277,721	540,217.68
$ 100,001-$ 150,000	131	261,280	16,391,016	15,992,574	1,271,757.40
$ 150,001-$ 200,000	81	0	14,296,222	13,827,247	1,180,224.70
$ 200,001-$ 250,000	40	0	9,145,063	8,768,168	776,816.80
$ 250,001-$ 300,000	38	0	10,288,957	10,272,251	946,823.60
$ 300,001-$ 400,000	48	586,623	16,013,226	16,485,829	1,618,299.48
$ 400,001-$ 500,000	27	0	11,963,650	11,911,451	1,226,874.12
$ 500,001-$ 750,000	54	80,606	34,614,551	32,818,126	3,533,175.12
$ 750,001-$1,000,000	19	26,789	16,411,718	16,438,507	1,830,120.84
$1,000,001-$2,000,000	56	758	80,807,373	80,792,489	9,175,140.16
Over-$2,000,000	55	103,221	344,582,781	344,172,541	40,810,563.76
TOTAL PAY:	2,533	$ 1,268,465	$ 596,574,316	$586,632,434	$ 64,745,527.36
No-Pay:	1,919				
Subchapter S:	00				
GRAND TOTAL:	4,452				

TABLE 15

TOTAL CORPORATION PAY RETURNS AND TAX
BY COUNTY

County	No. of Pay Returns	% of Total	State Tax	% of Total	County	No. of Pay Returns	% of Total	State Tax	% of Total
Adair	44	.25%	$ 120,830.68	.10%	Cherokee	66	.38%	$ 117,221.68	.09%
Adams	20	.11	16,281.68	.01	Chickasaw	57	.33	110,889.20	.09
Allamakee	45	.26	120,413.56	.10	Clarke	19	.11	18,845.66	.02
Appanoose	34	.20	2,219,033.06	1.78	Clay	134	.77	333,580.44	.27
Audubon	27	.15	39,310.52	.03	Clayton	103	.59	230,559.10	.19
Benton	116	.67	194,042.96	.16	Clinton	255	1.46	800,247.26	.64
Black Hawk	611	3.51	1,892,526.36	1.52	Crawford	67	.38	103,522.98	.08
Boone	151	.87	863,223.44	.69	Dallas	143	.82	259,593.78	.21
Bremer	120	.69	319,316.78	.26	Davis	25	.14	38,164.78	.03
Buchanan	106	.61	270,021.14	.22	Decatur	23	.13	39,760.68	.03
Buena Vista	123	.71	306,484.64	.25	Delaware	66	.38	137,257.46	.11
Butler	83	.48	210,825.84	.17	Des Moines	241	1.38	551,862.48	.44
Calhoun	46	.26	95,809.48	.08	Dickinson	92	.53	142,461.60	.11
Carroll	130	.75	662,279.56	.53	Dubuque	447	2.56	3,533,951.48	2.83
Cass	100	.57	227,050.28	.18	Emmet	56	.32	114,042.68	.09
Cedar	99	.57	205,683.20	.17	Fayette	127	.73	223,488.60	.18
Cerro Gordo	282	1.62	663,447.32	.53	Floyd	117	.67	247,052.50	.20

TABLE 15 (Cont.)

TOTAL CORPORATION PAY RETURNS AND TAX
BY COUNTY

County	No. of Pay Returns	% of Total	State Tax	% of Total	County	No. of Pay Returns	% of Total	State Tax	% of Total
Franklin	84	.48%	$ 298,733.68	.24%	Johnson	388	2.23%	$1,078,869.56	.87
Fremont	44	.25	82,013.96	.07	Jones	96	.55	154,564.78	.12
Greene	79	.45	188,654.50	.15	Keokuk	60	.34	156,970.14	.13
Grundy	104	.60	258,229.78	.21	Kossuth	88	.50	251,539.24	.20
Guthrie	50	.29	88,786.84	.07	Lee	133	.76	264,971.40	.21
Hamilton	91	.52	243,460.40	.20	Linn	841	4.82	3,186,799.28	2.55
Hancock	52	.30	175,547.40	.14	Louisa	62	.36	120,467.30	.10
Hardin	146	.84	524,081.78	.42	Lucas	35	.20	1,272,418.84	1.01
Harrison	57	.33	82,674.26	.07	Lyon	64	.37	113,126.76	.09
Henry	158	.91	193,630.90	.16	Madison	41	.24	88,004.36	.07
Howard	46	.26	44,665.36	.04	Mahaska	96	.55	207,516.30	.17
Humboldt	59	.34	168,408.30	.14	Marion	137	.79	368,767.16	.30
Ida	42	.24	72,204.08	.06	Marshall	227	1.30	683,330.92	.55
Iowa	67	.38	575,190.54	.46	Mills	51	.29	73,220.58	.06
Jackson	81	.46	121,661.26	.10	Mitchell	51	.29	83,255.48	.07
Jasper	175	1.00	631,947.16	.51	Monona	45	.26	113,139.02	.09
Jefferson	87	.50	170,353.94	.14	Monroe	19	.11	34,741.86	.03

TABLE 15 (Cont.)

TOTAL CORPORATION PAY RETURNS AND TAX
BY COUNTY

County	No. of Pay Returns	% of Total	State Tax	% of Total	County	No. of Pay Returns	% of Total	State Tax	% of Total
Montgomery	75	.43%	$ 154,623.60	.12%	Tama	90	.52%	$ 148,216.88	.12
Muscatine	193	1.11	799,799.58	.64	Taylor	15	.09	10,436.52	.01
O'Brien	99	.57	168,583.84	.14	Union	48	.28	76,945.58	.06
Osceola	41	.24	79,546.84	.06	Van Buren	30	.17	32,574.70	.03
Page	90	.52	149,529.20	.12	Wapello	110	.63	274,818.12	.22
Palo Alto	77	.44	121,684.10	.10	Warren	108	.62	180,061.48	.14
Plymouth	120	.69	415,200.90	.33	Washington	121	.69	339,073.86	.27
Pocahontas	93	.53	168,507.22	.14	Wayne	17	.10	35,416.64	.03
Polk	2,147	12.32	14,041,595.70	11.26	Webster	228	1.31	749,220.84	.60
Pottawattamie	319	1.83	572,402.74	.46	Winnebago	69	.40	363,344.20	.29
Poweshiek	98	.56	226,215.74	.18	Winneshiek	88	.50	162,698.42	.13
Ringgold	15	.09	16,460.78	.01	Woodbury	524	3.01	3,438,289.34	2.75
Sac	126	.72	223,394.46	.18	Worth	27	.15	45,450.66	.04
Scott	813	4.66	3,426,624.82	2.74	Wright	83	.48	146,811.58	.12
Shelby	98	.56	155,510.18	.12	Nonresident	2,955	16.95	69,119,742.34	55.46
Sioux	151	.87	487,167.26	.39	GRAND TOTAL	17,432	100.00%	$124,610,514.60	100.00%
Story	333	1.91	679,536.50	.55					

TABLE 16

TOTAL FRANCHISE TAX PAY RETURNS AND TAX
BY TAXABLE INCOME

For Year Ending December 31, 1984

Taxable Income Bracket	Pay Returns	Federal Taxable Income	Interest and Dividends Exempt Federal Tax	Income Subject To Tax	State Tax
$ 0-$ 25,000	15	$ (839,689)	$ 1,051,199	$ 218,080	$ 10,904.00
$ 25,001-$ 50,000	20	(687,440)	1,527,429	807,783	41,770.60
$ 50,001-$ 75,000	22	(12,146)	1,598,548	1,415,792	73,304.50
$ 75,001-$ 100,000	28	(1,639,361)	3,940,047	2,400,774	120,243.55
$ 100,001-$ 150,000	42	1,872,412	3,251,185	5,373,984	281,099.25
$ 150,001-$ 200,000	55	2,596,111	6,698,542	9,686,061	487,716.40
$ 200,001-$ 250,000	68	4,902,710	9,879,461	15,339,178	771,762.60
$ 250,001-$ 500,000	189	20,429,319	45,309,719	67,819,818	3,425,357.75
$ 500,001-$ 750,000	68	14,717,714	25,316,680	41,577,203	2,095,311.55
$ 750,001-$1,000,000	39	12,092,339	19,952,047	33,311,079	1,668,726.75
$ Over-$1,000,000	43	39,974,280	58,264,182	102,605,946	5,148,715.05
SUB TOTAL:	589	$ 93,406,249	$ 176,789,039	$ 280,555,698	$ 14,124,912.00
No-Pay:	142				
GRAND TOTAL:	731				